

COMMERCE

MAY 1956

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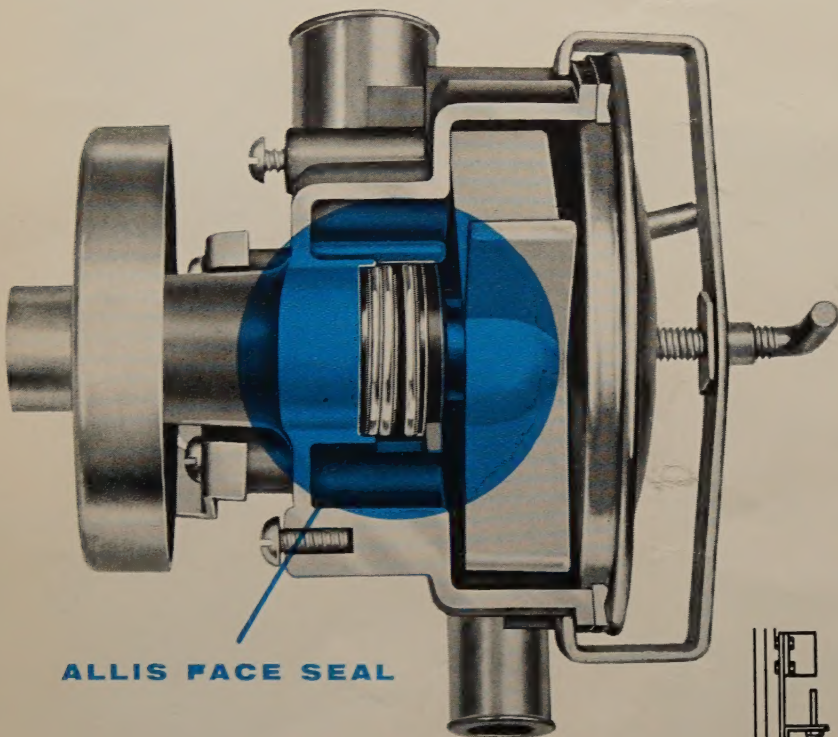
Opening of the 1956 Lake Shipping Season
See Page 5

Chicago's New Traffic Court

How to Develop Foreign Markets

PROTECTIVE SEALING

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WESTINGHOUSE
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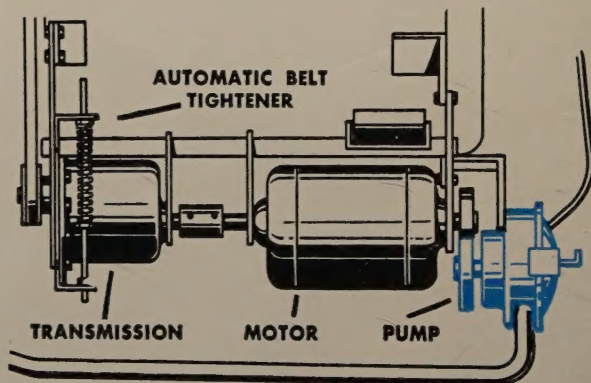
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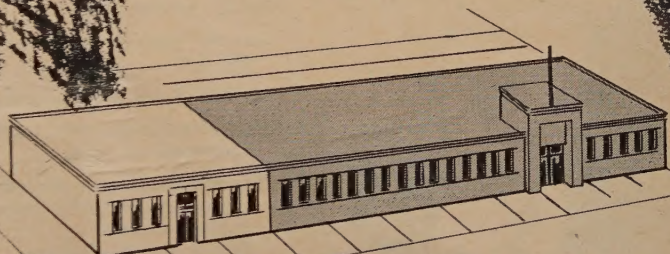
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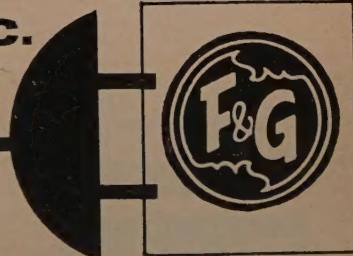
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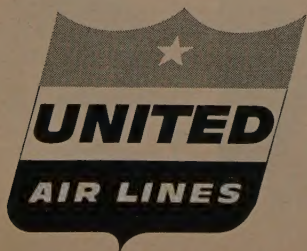
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statistics of...

Chicago Business

	March, 1956	February, 1956	March, 1955
Building permits, Chicago	2,551	1,893	1,22
Cost	\$ 26,667,548	\$ 21,769,809	\$ 25,594,10
Contracts awarded on building projects,			
Cook Co.	3,201	2,705	3,82
Cost	\$ 103,666,000	\$ 63,540,000	\$ 106,198,00
(F. W. Dodge Corp.)			
Real estate transfers, Cook Co.	8,255	6,893	8,48
Consideration	\$ 4,781,024	\$ 4,495,001	\$ 5,574,16
Bank clearings, Chicago	\$ 4,555,962,356	\$ 4,369,829,491	\$ 4,514,453,15
Bank debits to individual accounts:			
7th Federal Reserve District	\$28,552,000,000	\$25,033,000,000	\$27,883,000,00
Chicago only	\$14,600,166,000	\$12,437,480,000	\$14,624,394,00
(Federal Reserve Board)			
Bank loans (outstanding) Chicago			
weekly reporting banks	\$ 3,549,000,000	\$ 3,371,000,000	\$ 2,861,000,00
Midwest Stock Exchange transactions:			
Number of shares traded	2,459,000	2,225,000	2,394,00
Market value of shares traded	\$ 96,593,493	\$ 76,820,039	\$ 87,720,82
Railway express shipments, Chicago area	960,468	876,991	937,59
Air express shipments, Chicago area	76,390	71,478	73,82
L.C.L. merchandise cars, Chicago area	19,031	17,475	20,64
Electric power production, kwh., Com.			
Ed. Co.	1,658,713,000	1,583,289,000	1,504,558,00
Industrial gas sales, therms., Chicago	17,222,274	16,610,511	15,312,61
Steel production (net tons),			
Metropolitan area	1,951,600	1,818,000	1,863,90
Revenue passengers carried by Chicago			
Transit Authority lines:			
Surface division	44,484,022	41,233,708	45,574,97
Rapid transit division	10,080,321	9,504,627	9,939,59
Postal receipts, Chicago	\$ 13,856,325	\$ 12,213,492	\$ 14,097,72
Air passengers, Chicago Airports:			
Arrivals	344,089	285,606	321,22
Departures	366,337	311,583	330,84
Consumers' Price Index (1947-49=100)			
Chicago	117.7	118.3	117.
Receipts of salable livestock, Chicago	403,143	468,082	477,12
Unemployment compensation claimants,			
Cook and DuPage counties	29,756	27,967	52,53
Families on relief rolls:			
Cook County	26,547	26,582	30,24
Other Illinois counties	16,000	16,736	19,24

June, 1956, Tax Calendar

Date Due	Tax	Returnable to
1	Last day to file Illinois Capital Stock Tax return	Dept. of Revenue (Ill.)
15	Illinois Retailers' Occupation Tax, MROT, and Use Tax return and payment for month of May	Dept. of Revenue (Ill.)
15	If total Income and Social Security Taxes (O.A.B.) withheld from employee plus employer's contribution withheld in May exceeds \$100, pay amount to	Authorized Depository
15	Second installment date for individual's declaration of estimated tax for 1956 (also date for revision of original estimates and date of original filing for those persons who did not have to file as of April 15)	District Dir. of Internal Revenue
15	Second installment (50%) of 1955 Federal Income Tax by corporations	District Dir. of Internal Revenue
15	Non-resident alien individuals and non-resident foreign corporations file calendar year (1955) income tax returns	District Dir. of Internal Revenue

COMMERCE

Magazine

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May, 1956

Volume 53

Number 4

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**in this
issue . . .**

Bristling with statistics, our lead article (page 11) is a first hand report by former President Herbert Hoover on several of the major weaknesses in personnel policies and accounting procedures found by his impartial commission in the operations of our federal government. Weaknesses that can easily be corrected—a procedure that could save companies and individuals billions of dollars a year in taxes.

There are a number of things a company should do before it makes an investment in foreign plants or markets. The article, page 13, by Earl J. McClintock covers these and also tells of some of the unusual regulations that can be encountered in foreign trade.

There's a five-year-old electronic subcontracting firm in Franklin Park, Illinois, hailed as the "only one of its kind." How does it earn this distinction? See page 14. And for the story of Chicago's new traffic center that makes paying fines "almost a pleasure" read the article starting on page 18.

Our Cover

The 1956 shipping season on the Great Lakes has opened and is expected to be the biggest season to date. The first ship to depart from the Chicago area was the E. J. Block, an Inland Steel Company ship. It headed for Port Inland, Michigan, for a load of limestone. The first ship to arrive in the Chicago area was the B. H. Taylor with limestone for United States Steel Corporation. It was followed by the W. E. Fitzgerald with salt for Morton Salt Company and the O. S. McFarland which came to take pig iron to Saginaw, Michigan. The Black River was the first newsprint ship to reach Chicago this year. It is shown on our cover being unloaded. It brought a cargo of 3,241 tons of newsprint to the Chicago Tribune.

Oceangoing freighters have also started to arrive for what portends to be their biggest year between Port Chicago and their homelands. In 1955 oceangoing freighters made 258 trips out of Chicago. This season well over 300 trips are expected to be made. Local ports expect a 35 per cent increase in overseas tonnage this year over last.

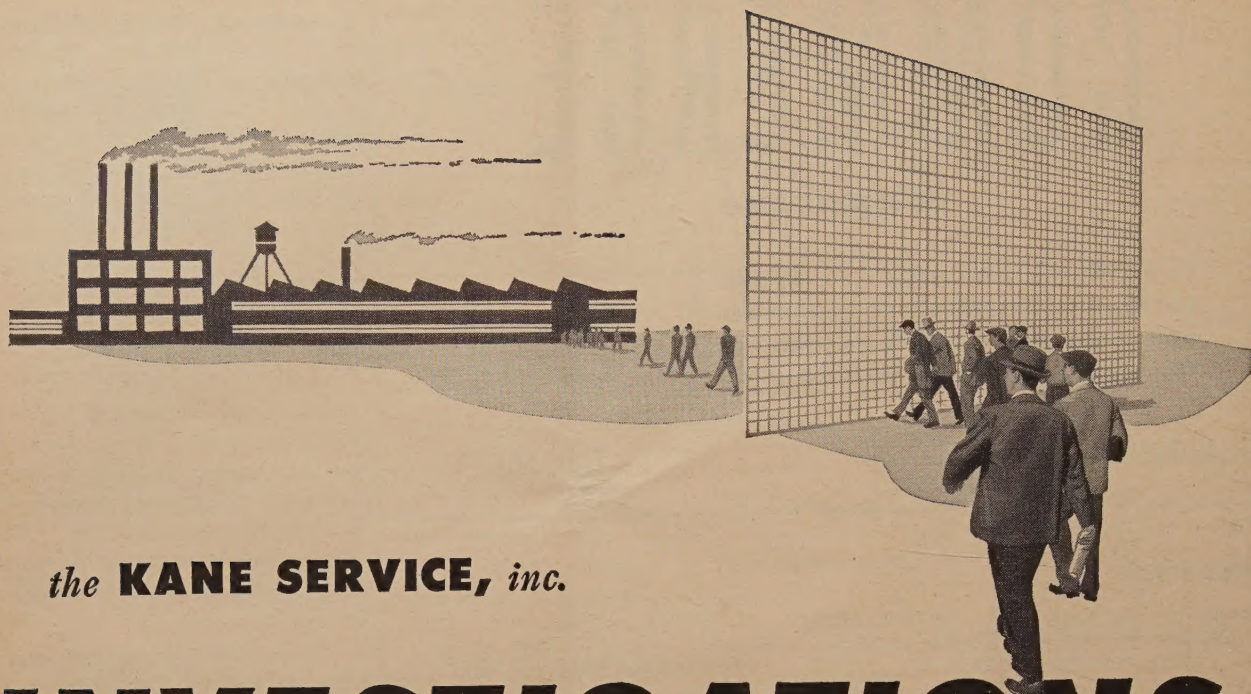
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Tom Callahan, Associate Editor

Gordon Rice, Advertising Manager

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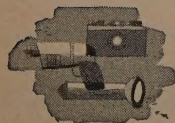
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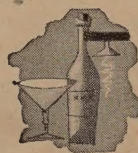


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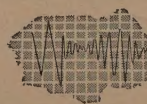
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The Editor's Page

Answers To A Public Need

The Central States Group of the Investment Bankers Association and the Midwest Stock Exchange have uncovered a thirst for investment knowledge in the Chicago area that has both surprised and gratified them.

The IBA group is conducting a panel show entitled "What Everybody Ought To Know About the Stock and Bond Business" over Chicago's educational TV station on Channel 11. Each week for ten weeks three leading investment bankers plus a guest panelist, with a moderator to guide the discussion, will answer questions submitted by the public.

The first two shows are now past with these results: More than 1,200 persons have written in, over 1,000 of whom asked for transcripts. In the half hour the show was on the air and the half hour following when the panelists remained to answer telephone questions, the station received an average of 100 calls for each of the first two programs. Because of a shortage of telephone lines, many callers during the first show were blocked by busy signals. For the second show, the lines were monitored and the count indicated some 400 calls could not get through. These figures add up to the greatest response Station WTTW has had to any program since it went on the air.

The Midwest Stock Exchange got an equally dramatic reaction when its president, James E. Day, announced the exchange would conduct a forum on finance consisting of six seminar sessions. Within 36 hours, the exchange was deluged with 1,500 applicants, or better than four times the capacity of 350 on the exchange's floor where the sessions will be held. To insure seriousness of intent, applicants were required to pay a \$5 registration fee, which the exchange will turn over to Junior Achievement. This reception has resulted in the exchange scheduling two more forums to start in September, both of which already have been oversubscribed.

For years many LaSalle Streeters have been telling each other that there should be a broader market for securities — that a much greater share of the public, including small savers, should be direct investors in American business. Some steps toward these very desirable objectives have been taken previously. None has received such an immediate and dramatic response and none has disclosed more clearly the desire for investment education on the part of the public than these programs of the Central States investment group and the Midwest Stock Exchange.

This should encourage both organizations and Station WTTW not only to continue these successful efforts but to search for others. The widespread interest in investment education certainly is apparent.

Triple A Investment Opportunity

Winners in the largest private scholarship program in the nation's history have just been announced by nineteen leading American corporations and the National Merit Scholarship Corporation of Evanston, Illinois.

The Merit Scholarship program was announced eight months ago after three years of organizing work. It was launched with \$20,500,000 of financing for a ten-year period by the Ford Foundation and the Carnegie Corporation of New York. The purpose is to discover the nation's most talented young people and help those of this group who need financial assistance to attain a college education.

Principals of secondary schools throughout the country submitted their top scholars as candidates for awards. From these submissions a distinguished selection board picked on a national basis more than 4,300 high school seniors which the board "believed to rank in ability among the top one or two per cent of the high school seniors of the nation." Of this group, 525 candidates have been awarded scholarships with a total value of \$3,160,000. The average worth of each four-year scholarship, some of which goes directly to the college the winner selects, is \$6,000. Each Merit Scholar receives the amount he needs to complete four years of college depending on his financial resources.

In the short eight months since it began operation, the National Merit Scholarship program has made tremendous strides. More than \$1,000,000 of the \$3,160,000 just awarded came from companies which joined the program following its announcement. For each one of the 525 young students receiving scholarships this year, however, at least seven others of those selected could not be given assistance because of a lack of funds. Everyone of them deserved and would have been offered a Merit Scholarship under the program had sufficient funds been available.

The National Merit Scholarship plan has demonstrated that it has established a practical and democratic method of finding the outstanding young brains in our nation's high schools. It is to be hoped that in the years to come more and more corporations and industrial leaders will participate in financing the program so that all of the merit winners needing assistance may have it. As Theodore V. Houser, president of the Sears Roebuck Foundation, which sponsors 100 of the scholarships, puts it, "Never before have we so sorely needed to utilize the best brains of the country."

Alan Sturdy



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• **Radioactive for Safety** — The problem of insuring removal of all rivet bucking bars and other small tools from aircraft and component subassemblies prior to flight has long been a subject of serious concern throughout the entire aircraft industry. After lengthy study and testing, the McDonnell Aircraft Corporation has devised a safe method of imbedding a small radioactive source in the body of each tool whereby they can be easily located in the aircraft during preflight inspection by means of a radiation sensitive instrument.

• **A Vodka Boost** — Vodka led the field in gains among domestic distilled spirits bottled in 1955, chalk-ing up an increase of almost 100 per cent over the previous year. Bottling for the entire industry totaled more than 6,960,000 wine gallons, according to the producers of Samovar vodka, who predict continued substantial increases in consumption in 1956.

• **Cheap by Pound** — Building materials generally are low in cost as commodities go today, Charles H. Topping of E. I. duPont de Nemours & Company told the Chicago meeting of prefabricated home manufacturers. A house cost about ten cents a pound whereas an automobile, perhaps the epitome of mass production, cost \$1 a pound, he said.

• **Love and Houses** — Trends in marriages are not good clues to trends in the demand for housing. The number of marriages rose slightly from the 20's to the 30's, but the demand for new housing declined. The number of marriages in the 40's rose about 30 per cent, but the increase in the number of occupied units was nearly 75 per cent. So the market for housing needs to be examined on an income basis, Robinson Newcomb, Robinson New-

comb-Associates, told a recent meeting of the National Industrial Conference Board.

• **Cook County Thrift** — The per capita savings in Cook County savings institutions last year were \$1,011 as compared to a nationwide average of \$983, while per family savings amounted to \$3,244 compared to nationwide figures of \$3,133 according to a survey of the First Federal Savings and Loan Association of Chicago.

• **Mortgage Foreclosures** — Non-farm mortgage foreclosures currently are running less than three foreclosures per year for each 1,000 mortgaged properties according to John E. Stipp, president of the Federal Home Loan Bank of Chicago. Totals for 1955 reached 28,529 foreclosures or nine per cent higher than for 1954. In the first six months of 1955, foreclosures were up 15 per cent over the same period of 1954 but in the last half of 1955, the increase was only four per cent higher.

• **Diamond Cutting** — A new method for cutting, shaping and polishing industrial diamonds by a man-operated machine has been developed by the Diamond Research Laboratory, Johannesburg, South Africa. This machine enables an unskilled workman to learn how to cut and shape industrial diamonds in four to six weeks as compared with the present practice of sending these diamonds to gem cutters who have spent many years learning their trade.

• **Life Insurance** — Nine out of every ten men, seven of every ten women and two-thirds of the children in America's urban population have some form of life insurance according to the Institute of Life Insurance. The rural population showed 77 per cent of the men, 58

er cent of the women and 56 per cent of the children owning some form of life insurance.

Precision Measuring—Dr. Edson R. Peck, associate professor of physics at Northwestern University, has developed a new instrument called the corner-cube interferometer, which can measure objects in terms of light wave lengths to a precision of one part in ten million.

Spiraling Wages—When allowance is made for the increases in retail prices, "real" hourly earnings of steelworkers currently are more than three times the 1914 level, more than twice the 1929 level and 53 per cent above the prewar level of 1939. Real hourly earnings rose 28.6 per cent from 1949 to 1955, to reach the highest annual level in history.

Box Boom—Shipments of folding paper boxes hit a five-year high for the first two months of 1956, totaling \$73,442,177, a 15 per cent increase over the same period last year. The sales jump, according to the Folding Paper Box Association, is due to the fast-increasing number of new items being packaged in cartons to meet demands for self-service selling, such as cigarettes, hardware, flowers, plants and textiles.

Prefab Houses—The prefabricated home industry produced and shipped approximately 93,000 prefabricated homes in 1955. It anticipates a production of 120,000 single-family prefabricated dwellings in 1956. Prices for the homes range from \$7,500 to \$60,000 per unit with an average cost per house of about \$15,000.

Mobile Homes—Sales of Mobile homes reached an all-time high in 1955 with a total of \$435 million. In the industry's 25 years of production, output has grown from 1300 units in 1930 to 101,900 units last year. The latter is a 34 per cent increase over 1954's sales of 76,899 units worth \$324 million.

Personal Debt—The American people in their record spending spree last year added the equivalent of \$163 to their personal debts for every dollar of increase in their long-term savings. Figures compiled from government and private sources

show that the total of personal debt jumped by more than \$20 billion during 1955 to an estimated \$147 billion at the year-end. This represented by far the biggest yearly increase of its kind on record and it was half again as great as the previous peak annual rise in personal debt of over \$13 billion in 1953.

Record Imports—Total imports into this country of foreign materials and merchandise hit a new high of \$11.5 billion in 1955, up more than a billion dollars over 1954, according

to the U. S. Department of Commerce. The previous import record was \$11 billion in 1951.

Profits to Labor—Between 1950 and 1955 total corporate profits before taxes increased by only eight per cent and profits after taxes showed a slight decline. Over the same span of years, total labor income increased by 43 per cent suggesting that the benefits of higher productivity have gone almost exclusively to labor, and that very little has been left to

(Continued on page 32)

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Wasteful Washington Business Methods

By HERBERT HOOVER

**How U. S. taxpayers can be saved four billion dollars a year
by correcting poor personnel and accounting practices**

Editor's note: Reforms in two areas of the federal government recommended by the Commission on Organization of the Executive Branch of the Government would save companies and individuals billions of dollars of taxes if adopted. These reforms are unique because there is no ideological conflict and no political controversy in them. They are purely "housekeeping jobs."

Bristling with statistics, the following article is a report on several of the major weaknesses in personnel policies and accounting procedures found by the commission. It is adapted from a recent speech delivered by the author, a former President of the United States and a guiding influence of the commission, before a meeting of the Chamber of Commerce of the United States.

THERE were 20 men on the combined task force and commission membership of the first commission who agreed on many needed reforms, and some of these were adopted. The task force of the second commission, under President Dodds of Princeton University, was comprised of ten members, and ten

of the members of the commission itself supported its recommendations. These 20 men included three former civil service commissioners from both political parties, 14 who had had previous important governmental experience, and six who were appointed for their experience in personnel service in private enterprise. They comprised men from both political parties. No political issues were ever raised or discussed.

Three Major Weaknesses

These men agreed on three major weaknesses in the government personnel service:

1. About 500,000 persons leave the service every year, a turnover of over 25 per cent per annum. That percentage of turnover would bankrupt any private enterprise twice a year.

2. The method of promotion and pay fails to produce and hold the kind of top executive skill and talent needed in any great organization. Ours is a government of changing political parties, and it is the civil service which must carry on the government housekeeping from administration to administration.

3. Ours is a two-party government. Political parties come into power with a mandate as to policies which the majority of the people wish es-

tablished. There are not enough policy-making positions today subject to party choice to carry out these mandates.

There are about 2,300,000 employees in the federal service, of whom 2,000,000 entered through some merit test. As a body, they are industrious and devoted public servants. But they have increased from 600,000 in 24 years and have increased the pay-roll cost from about \$1 billion per annum to \$9 billion. During this vast and rapid growth, their organization has failed to keep pace with the shift in improved methods, the economic and political experience of the nation.

To make the civil service an attractive, life profession, and thus to decrease turnover and especially to retain talent for the top administrative jobs, we proposed to create a senior civil service. Employees in this group would be chosen from the civil service on the basis of character and talent alone, irrespective of the present basis of promotion. We propose they should receive pay security and prestige, which would keep government talent from being constantly grabbed by business.

The value of such a policy has been shown by our military forces which recognize seniority and other automatic bases of promotion up to certain levels. Beyond those levels a

senior military service is chosen from the force by an autonomous board on the basis of character and talent. If our top military officers had been chosen on the civil service basis of promotion, the deadwood at the top could have lost us two world wars; thus our senior civil service proposal has warranty in national experience.

The present salaries and fringe benefits in our top civil service are below those in the top military service, and worse still, they are far below those in private enterprise.

Salary Comparisons

I have made a rough canvass of a number of large private enterprise concerns as to the number of top men they require and the salaries they pay. I sought answers to four questions: What was their total annual expenditures? What was their total number of employees? How many employees did they have receiving \$15,000 a year and over? Like wise, receiving \$20,000 a year and over?

Adding up these concerns, I found that on an expenditures basis we ought to have 14,000 employees at \$15,000 per annum and over in the federal government. Based on the proportionate number of employees, the federal government ought to have 8,000 receiving \$15,000 and over. The federal government has 1,364.

On the basis of \$20,000 a year and over, I found that on an expenditures basis the federal government ought to have 6,100, and based on the number of employees it ought to have 3,600. The federal government has 633.

I also found that private enterprise has about 1,000 persons at \$40,000 a year and over. The federal government has only one.

This was not a complete investigation, but from these rough figures you can get a glimpse of why talent leaves government service and why we have this gigantic turnover.

However, I am not talking about \$40,000 a year in the civil service. In the senior civil service we propose that we should start with \$15,000 per annum and rise to \$22,000.

A career in government has attractions of its own, but if we want executive talent and character to stay in government, we must do

much better than we are doing now. We need a much larger number of these top executives. A good top executive at any salary can save ten times his salary.

Now to turn to the third weakness, that of policy-making positions. The President needs to have perhaps 2,000 more policy-making positions subject to appointment by him. That would be about one-tenth of one per cent of the present civil service, but it relates to the fundamental responsibility of maintaining two-party government. Nonpolitical civil service people should not be required to make policy or to defend administration policy.

You can make a rough calculation as to what this gigantic turnover of 500,000, or over 25 per cent per annum, costs. The commission found that the machinery of replacement costs the government about \$500 a person. You can add to that at least \$1,000 of the beginner's salary, which produces no results while he is learning his job. If this turnover could be reduced by 200,000 a year, you could multiply it into billions of dollars in savings.

Budgeting and Accounting

The vital subject of budgeting and accounting was exhaustively canvassed by the first commission six years ago, aided by a task force of outstanding public accountants already familiar with government methods. Their major recommendations originally were opposed by the comptroller general, the budget director, the secretary of the treasury, and the chairman of the congressional appropriation committees. It took three years even for parts of it to sink in. Legislative and Presidential acts since did make improvements, but these reforms are wholly incomplete.

Still more reform seems needed, since many of the principles and practices of present budgeting and accounting are inherited from the Budgeting and Accounting Act of 35 years ago, when the government was certainly much smaller. In this time government expenditures have increased from \$4 billion to \$65 billion, and the number of civilian and military employees from about 850,000 to more than 5,200,000. Moreover, the budget is so complicated that the very book which describes

it annually comprises 1,200 pages of fine print, with millions of figures and weighs over five pounds. If the average man can understand it, he is fitted for the \$64,000 prize.

Budgeting is much more than just preparing figures and estimates of proposed expenditures. The budgeting functions are vital to the whole management of government. In the preparation of the budget lies not only the control of departmental expenditures but also the power to insist on efficient methods of conduct in the spending agencies. And within a more effective budgeting system lies the restoration of the fuller control of the national purse to the Congress, which has in great degree been lost. Ever since Rummey, the control of the purse by the legislative body has been a foundation stone in liberty itself.

The second commission again had the aid of a task force of seven outstanding accountants and business executives under Colonel J. Harold Stewart, with three competent consultants. They adopted many of the recommendations of the first commission but went further to wider reforms. Nine members of the commission joined in their major recommendations, so that here are 19 experienced men who spent much of their time for two years on this problem. And this time I am told that the recommendations are approved by the comptroller general, the director of the budget, and most of the other executive leaders in the government. This question now is adequate legislation.

Major Recommendations

Their major recommendations are:

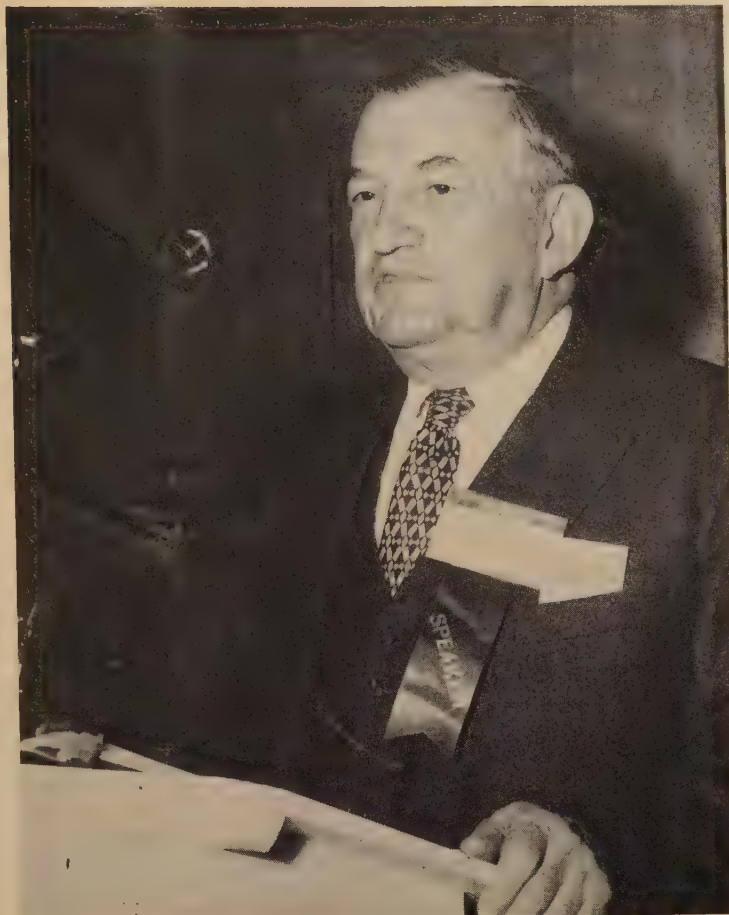
1. To strengthen the Bureau of the Budget.

2. The full adoption by the administration and the Congress of the performance budget based on functions, activities and projects which was recommended by the first commission in 1947 and adopted by the defense department in 1950.

3. An annual accrual budget based on actual costs, not upon obligations and contracts awarded, and services which require future payment of money or departmental assertions of probable long, future obligations. Private industry generally does this,

(Continued on page 39)

By

EARL I. McCLINTOCK

The author addressing World Trade group

HOW can a company best develop foreign markets which have been either closed to it or severely limited because of import and currency restrictions?

Before any decision to make an investment in such development of foreign markets, it is, of course, necessary to ascertain the potentialities of the market and such local conditions as will determine the form an investment might take.

Market surveys may be made by independent organizations specializing in this work, by local investors, by distributors interested in acquiring some interest in the business, or by the U. S. company's own sales organization. Almost invariably the company's own sales organization will check any outside survey which may have been made. The factors to be considered in a survey include: population of the territory, purchasing power, marketing areas, accessibility of marketing areas to production facilities or ports of entry, marketability of the product involved, and export possibilities to other countries.)

The result of the survey will furnish a basis for deciding upon the most desirable method of operation in the particular country. The possibilities are—aside from working through an agent or distributor—to

How To Develop Foreign Markets and Plants

Of the many ways, which is right for you?

license a local firm to manufacture and distribute the product—a method that, as a rule, involves no investment if the licensee can finance the desired operation; to acquire an existing local company or a controlling or minority share in one; to establish an own local organization for manufacturing or finishing distribution.

Licensing a local firm to manufacture and distribute your product against the payment of royalty is relatively a simple procedure. The advantages of the method are ob-

vious. It requires no investment if the licensee chosen has the facilities or the means to acquire the facilities needed for the operation involved. It thus avoids the problems created by any foreign investment today. The choice of the licensee is, naturally, of vital importance and calls for careful local investigation.

In all countries which have exchange control it is required that royalty contracts be approved by the exchange authorities. Such approval is not difficult to secure when the

(Continued on page 24)

The author is executive vice president of Sterling Drug Inc. This article has been adapted from his speech delivered before the 1956 World Trade Conference sponsored jointly by the Chicago Association of Commerce and Industry and the Export Managers Club of Chicago.

What Makes the Factory at 10068 Franklin Avenue Different?

It's equipped for conventional production and makes standard electronic equipment; its wages are union scale and prices competitive

By TOM CALLAHAN



FROM outward appearances the factory at 10068 Franklin Avenue, Franklin Park, Illinois, is just another of the many that have sprung up in the last decade throughout the Chicago area.

And in many respects it is. The plant is equipped to do such conventional things as drilling, tapping, riveting, wiring and soldering, or to take over the complete manufacture of a product right down to the final stage of packaging and shipping.

In the five plus years of operation, the plant has turned out such ordinary items as amplifiers, cable harnesses, telephone equipment, electro-mechanical assemblies, alarm equipment, terminal boards, controls, coils, electronic photo flash equipment, stamp machines and a number of specialty items such as a hand-sized adding gadget for women shoppers.

Only One of Its Kind

And yet the company is known as the only one of its kind in the world. Why? Because it is owned and operated for profit by a group of handicapped men and women who have refused to let their misfortune keep them out of the productive labor market.

Of the 65 people employed in the glass and brick, one-story structure,

Upper left: a view of the general office area of this unique Franklin Park plant

Lower left: equipment and procedures are adjusted as necessitated by the individual operator's disability



These are the employees of Paraplegics Manufacturing Company, about 20 per cent of them also own stock in the firm

only a handful are so-called able bodied individuals. The rest are paraplegics, double or single amputees, deaf mutes, blind, spastics or advanced heart and arrested TB cases. A big number of these are bound to wheel chairs for life.

Stockholders

Of the 80 stockholders in the company, 70 are paraplegics. Over 90 per cent of the shares are held by disabled veterans. The biggest block of shares representing 20 per cent of the total is held by an amputee employee, who works on the assembly line. In all about 20 per cent of the employees own some of the stock.

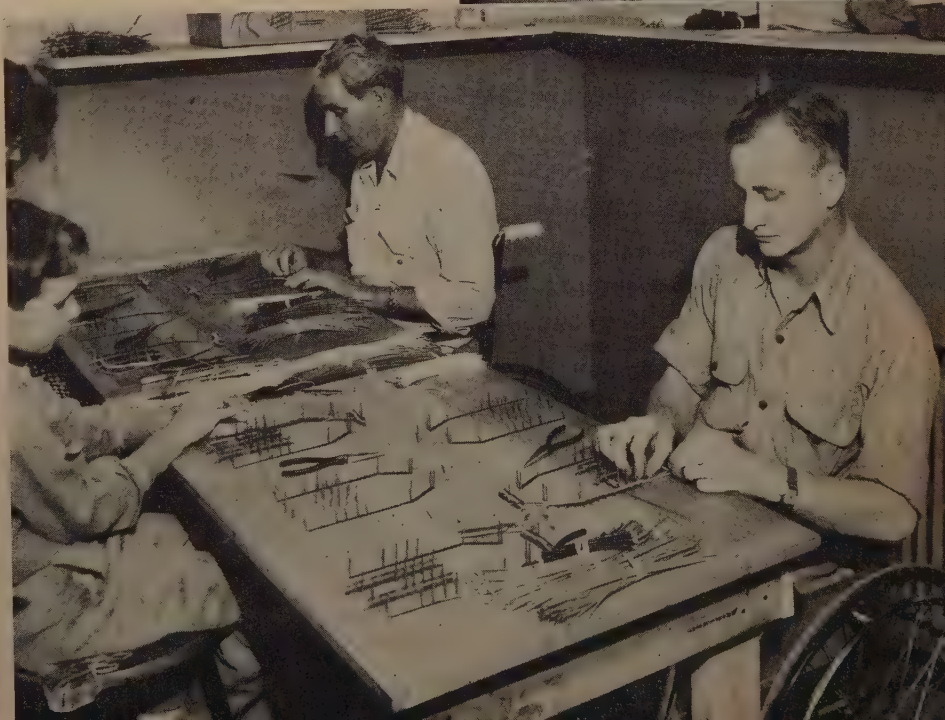
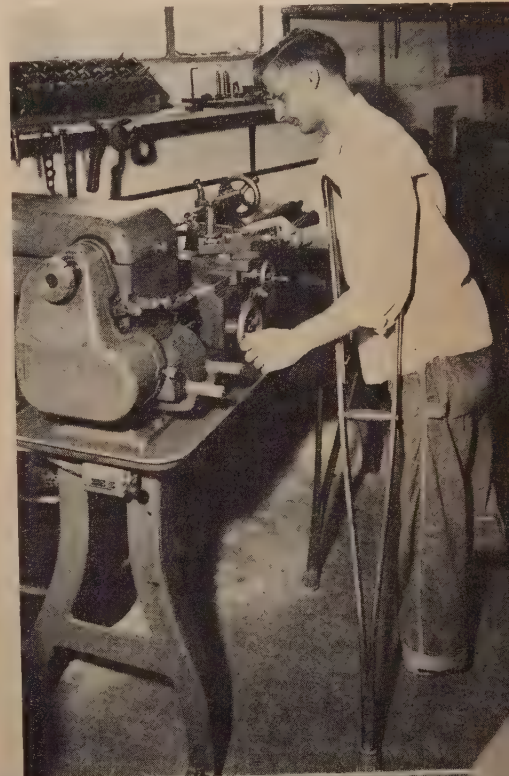
Known as Paraplegics Manufacturing Company, Inc., the firm was incorporated for profit on February 17, 1951, by a dozen paraplegics from Veterans Hospital in Hines, Illinois. Of the twelve, seven are still working for the firm including one of the founders, Dwight Guilfoil, Jr., who has been company president for almost two years.

There are some physical differences inside the Paraplegics factory that stand out from other similar operations. For example, there are ramps instead of stairs to facilitate the negotiation of inclines by the wheel chairs and for those on crutches; all aisles are wide enough

for wheel chair traffic; work benches are adjusted to a height to accommodate the wheel chair workers; and equipment that ordinarily is foot-operated has been converted to a hand or elbow operation as necessitated by the individual operator's disability. The work day runs from 7:30 a.m. to 4 p.m., five days a week. The earlier starting and quitting time allows the workers to miss the heavy commuting traffic.

But in general the company operates like most other subcontracting firms in the free market. All of the employees are honorary members of local 1031 of the International Brotherhood of Electrical Workers. As such they are paid the standard rate in the area for the particular jobs that they do. All work con-

(Continued on page 31)



Upper right: Crutches are no obstacle for this metal lathe operator

Lower right: work benches are adjusted to a height to accommodate the wheel chair workers

Business Highlights



At left: a new era in the transportation of coal is started as the crane boat, Marquis Roen, loads 7,500 tons of Illinois coal direct from barges at the Material Service Corporation slip on the Calumet River in Chicago. This is the first shipment of some 130,000 tons of coal that will be shipped via the all-water route this summer by The United Electric Coal Companies and Truax-Traer Coal Company. Usually coal is shipped to Chicago by rail, unloaded at the dock and then re-loaded in lake vessels.

At right: Some lucky visitor to the display room of the Antenna Specialists Company at the parts show (May 21-24) in the Conrad Hilton Hotel will win this model car. It's a battery-powered, fire engine red Thunderbird Junior with a top speed of five miles per hour. The other model, Miss Louise Baker, is not included with the prize.

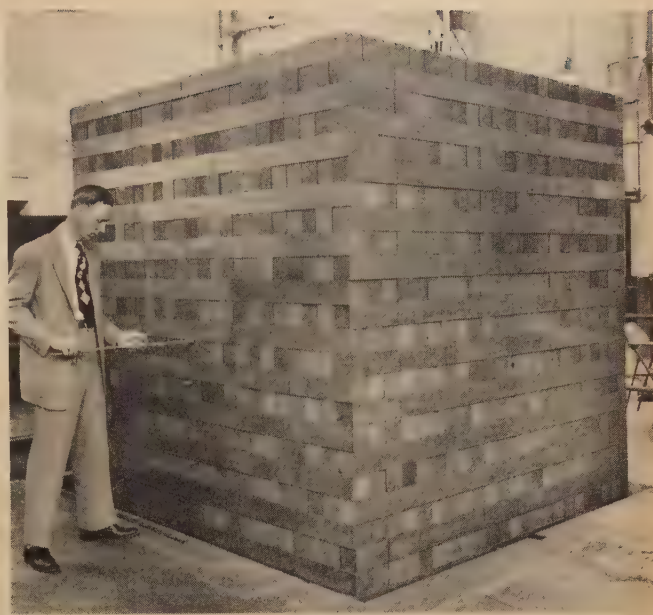


The National Bank of Hyde Park, 53rd at Lake Park Avenue, has installed a closed circuit TV system to speed up service. Each teller's cage (above) has been equipped with a receiver. The TV camera is located in the bookkeeping department (right) where all records of accounts and signatures are kept. This gives each teller immediate access to all records and eliminates the necessity of a bank patron going to a particular cage according to his name.





A close-up view of some of the instruments in the cockpit of an American Airlines DC-7. The two round "television" screens, one in front of the captain and one in front of the first officer, are radarscopes, the latest addition to the labyrinth of instruments. These enable the pilots to "see" the extent of weather turbulence ahead and thereby pick a path to avoid rough spots



The original uranium and graphite used in the world's first nuclear reactor have been used in this eight-foot cube, an exponential assembly recently built at Argonne National Laboratory. By measuring the amount of induced radiation in indium foils placed in the reactor (as shown by Vincent H. Shoemaker), it is possible to obtain data for the design of full-scale reactors



Baseball fans attending the home games of the Chicago Cubs at Wrigley Field this year will find it much easier getting to grandstand and upper deck seats. The management has installed eight Speed-walk passenger conveyor units to ride the fans to the higher levels. The "moving walks" will operate in two sections of four units each to carry fans from ground level to grandstand and from grandstand to upper deck. After the games the moving belts will be reversed and carry fans back to ground level



Bulldozers go into action at the ground-breaking ceremonies of Automatic Electric Company's new plant in Northlake. The drivers are, from left to right, George A. Bryant, president, The Austin Company; Mrs. Hattie Ogrinc, President, Northlake Chamber of Commerce; Leslie H. Warner, president, Automatic Electric Company; Donald C. Power, president, General Telephone Corporation; Joseph C. Griffin, Mayor of Northlake; and Thomas H. Coulter, chief executive officer, Chicago Association of Commerce & Industry

Pay Penalty with Pleasure in City's New

Chaos of two former locations replaced by one efficient

PAYING a traffic ticket isn't a very pleasant chore, but until the beginning of this year, it was doubly unpleasant for Chicago motorists. Not only did they have to pay the fine, but almost always they had to stand around quite a while in shabby, overcrowded courtrooms before justice could receive its due.

Things have improved markedly since the new traffic center of the Municipal Court at 321 N. LaSalle Street, opened January 3. Compared to the old system, paying a ticket now is almost a pleasure.

At 11th and State and 26th and California, where traffic cases used to be handled, defendants waited to see the judge on hard wooden benches. The scuffed, dark furniture and floors, combined with peanut-sized incandescent bulbs, helped to make the wait as unpleasant as possible. At 26th and California, fines were paid at a desk adjoining the judicial bench, and in both courts

there was seldom enough room for everyone to sit down.

The new courtrooms are replete with padded seats, light-colored furniture, and air conditioning. In each courtroom, soft, soothing light is diffused by fluorescent tubes shining through a frosted glass ceiling. And instead of a clerk calling out each defendant's name in a stentorian baritone, cases are announced via a public address system. Trial proceedings are also broadcast; everyone in the courtroom can hear them.

Decor Changes

The biggest change in the decor, however, is the elimination of overcrowding. Defendants now report to an assignment clerk rather than going directly to the courtroom as they used to. And until his case is called, the motorist waits in a large assembly room on the first floor. The assignment clerk keeps a constant

check on the number of cases awaiting trial before each judge and referee, and assigns new cases to those rooms where the load is lightest.

Equalizing the load makes it possible for defendants to get in and out of court much faster than formerly. Many were the mornings at 11th and State and 26th and California when some defendants waited two hours or more while others were through in half that time.

The new center contains several other features designed to reduce waiting time to the bone. First, there are more trial rooms than were available formerly — four courtrooms and five referee rooms. By comparison, at 11th and State, there were one courtroom and two referee rooms, and at 26th and California, two courtrooms and two referee rooms.

Perhaps the most aggravated defendant at the two former courts was the one who wanted to plead

The city is now setting up a new record system which will contain a complete history of every driver's traffic violations



Traffic Court

and dignified operation

By

PHIL HIRSCH

guilty, pay his fine, and leave quickly. Even though he was willing to settle up, usually he had to see the judge anyway. Not only did this system cause unnecessary delay for the individual, but it wasted the judges' time, too. Between 20 and 30 per cent of the violators reporting to traffic court on an average morning want to plead guilty.

At the new center, most of these defendants are taken care of without having to go to court. When they report to the assignment clerk, he tells them what the fine is after consulting a schedule previously prepared by the center's judges. The motorist then heads for the cashier's cage to pay his bill, and once that chore is completed, he's through. The only exceptions are drivers charged with a second or third speeding offense, or a moving violation involving an accident. These defendants must see the judge, regardless of their plea.

Eliminate Case Sheets

Another alteration in procedure that will be a welcome relief to anyone familiar with Chicago traffic courts of other days is the elimination of case sheets. It used to be that even if a defendant arrived promptly, he had to wait until his name came up on the sheet.

Now traffic courts are processed on a first come, first served basis. In other words, the docket is made up according to the order in which defendants arrive at the center and report to the assignment clerk. Court

officials are happier with the new arrangement, as well as defendants. For now, officials don't have to drag out the records unless and until they know a given trial is going to be held.

The scene in front of the cashiers' cages at 11th and State used to be reminiscent of State and Madison the day before Christmas. It was not unusual for traffic violators to spend 45 minutes here, pushing and shoving their way toward the counter where fines were paid.

At the center there are eight cashiers instead of the two who were on duty in the State Street traffic court. Formerly, a receipt was laboriously written out for each fine paid. Now the job is being mechanized by big cash registers which prepare receipts automatically. Waiting time has been cut 50 per cent or more, compared to what it was at 11th and State.

Chicago's traffic police are also grateful for the center. In the past, the officers often wasted a good deal of time in court waiting for their cases to be tried. Sometimes, the officers had to appear in two cases

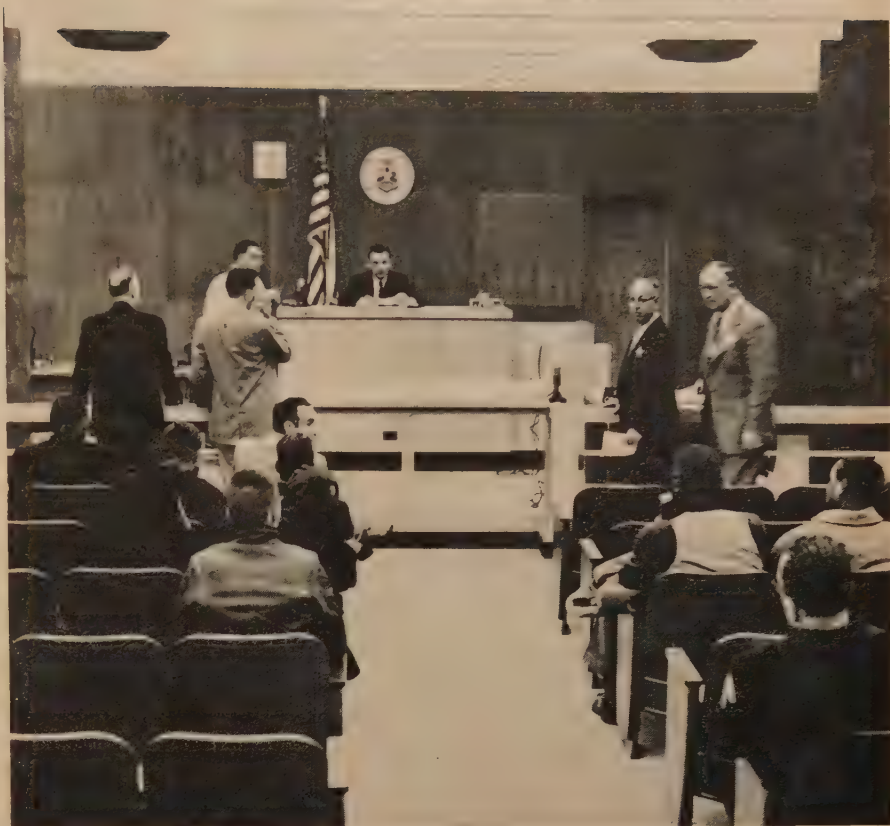
set for trial at the same time. Often, one appearance would be required at 11th and State, the other at 26th and California. What happened was that one case would be continued, which meant that the policeman would have to spend at least a part of another day in court.

Save Officer's Time

Now, when traffic tickets are handed out, the court appearance is scheduled in such a way that all cases requiring the presence of a given officer are heard on the same morning. Since the two former court locations have been centralized into one, there has been a substantial reduction in police travel time, too.

Officials of both the park district and the city police forces report that most of their men now need to spend only one day a month in court, instead of the two or three a month that were required formerly. The Citizen's Traffic Safety Board, which played a key role in planning the center, reports this reduction in court duty is equivalent to adding

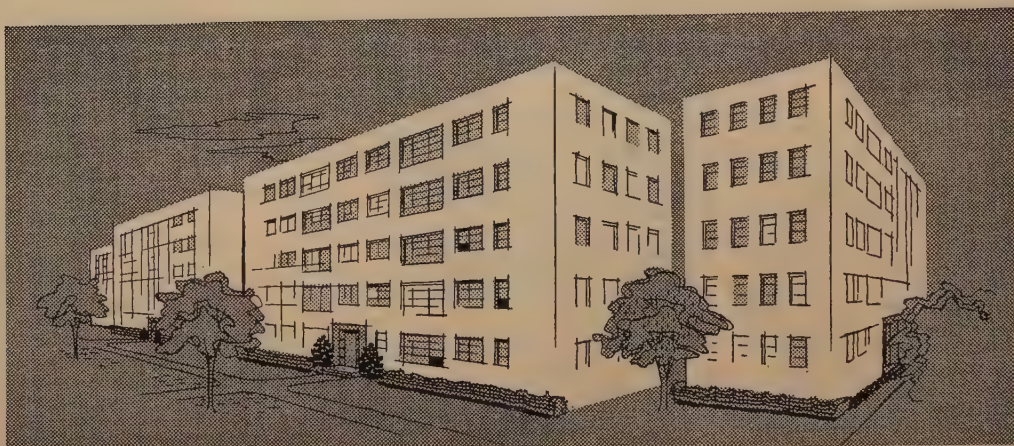
(Continued on page 37)



The new courtrooms are replete with padded seats, light-colored furniture, and air conditioning. The biggest change in the decor, however, is the elimination of overcrowding. Defendants don't report to courtroom until their case is called

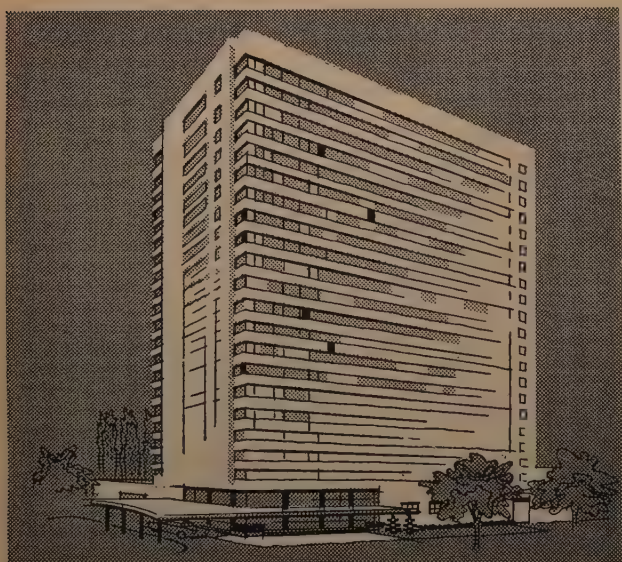
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Damen, Norwood and Hood Avenues. Each of the kitchens in the four 20-apartment buildings shown above will be equipped with a modern Gas range. Kitchens will also have double compartment sinks, plenty of work and storage space. Large wardrobe

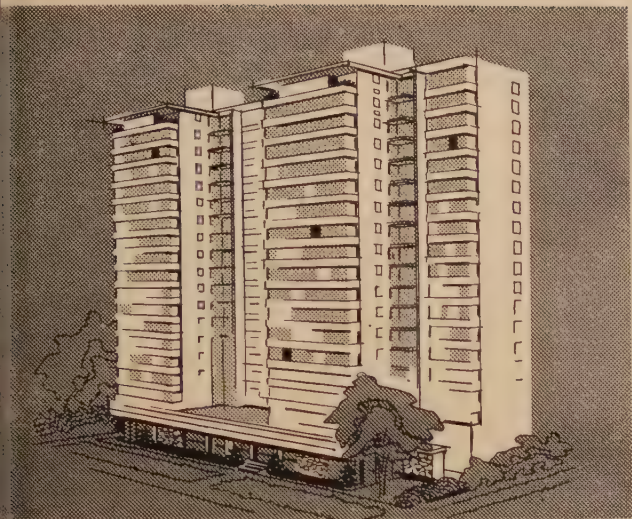
closets have ceiling-to-floor sliding doors. Apartments are air-conditioned during the summer months. Owner, Damen Hood Partnership; contractor, Mayfair Construction Company; architect, Edward Marks; rental agent, Irving Holtzman.



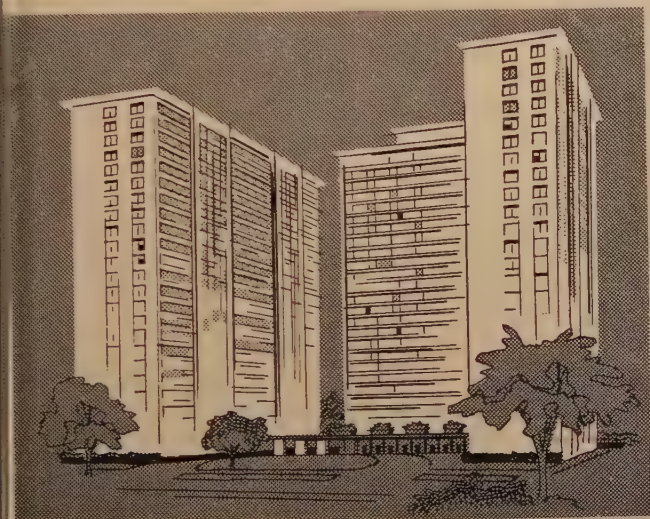
850 Dewitt Place. All the kitchens in this 223-apartment building feature modern Gas ranges. The apartments, now renting, are soundproof. Individual apartment air conditioning is available for greater summer comfort. Owner, Aaron B. Weiner and Homer S. Grossman, associate; architects, Hirschfeld and Pawlan; rental agent, Park Management Co.



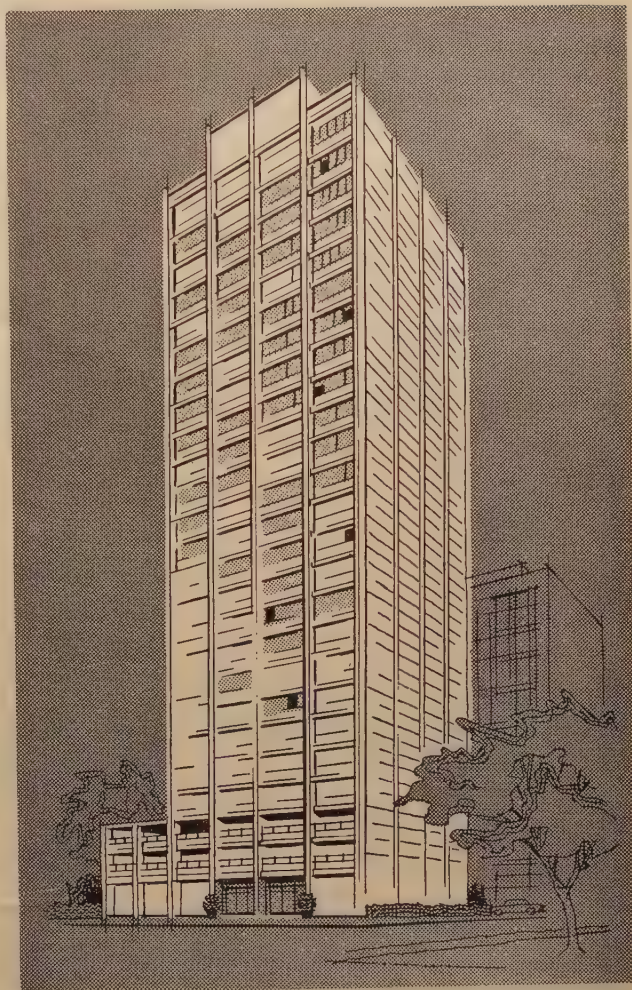
5801 Sheridan Road at Ardmore. Modern Gas ranges assure dependable cooking in each of the 90 apartments. Fully air-conditioned and with special private garage. Harbor View Apartments, owner; Welso Construction Co., contractor; Erwin G. Frederick, architect and engineer, A.I.A.; H. F. Phillipsborn and Co., mortgagee and managing agents.



4440 Lake Shore Drive. This 218-apartment building, now under construction, is completely air conditioned and every apartment will have up-to-the-minute kitchens with modern Gas ranges. Contractor, Lloyds Builders, Inc.; architects, L. R. Solomon & Assoc.; rental office, 3410 N. Lake Shore Drive.



3950 Lake Shore Drive. 662 apartments—all equipped with modern Gas ranges. Kitchens have ample cupboard and working space. Other features: 10 high-speed elevators, 400-car garage within the buildings. Co-owners, J. J. Mack and R. Sher; contractor, Crane Construction Company; architects, Shaw, Metz & Dolio. Rental office in model apartment.



247 East Chestnut Street. Every kitchen in this 89-apartment, air-conditioned building is equipped with a modern Gas range. Many other up-to-the-minute conveniences make it the last word in modern living. Owner, 247 East Chestnut Building Corp.; leasing and management, Geo. S. Lurie Company; architects and engineers, A. Epstein and Sons, Inc.; contractor, Sumner Sollitt Company.

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Trends . . . in Finance and Business



• **Wheat Consumption** — In 1955 our 164.5 million Americans consumed almost exactly the same total quantity of wheat for food as only 91 million Americans consumed in 1909 — about 475 million bushels. Thus our per capita use of wheat foods has dropped precisely as fast as total population has increased according to the family economics bureau of Northwestern National Life Insurance Company.

The 1955 wheat crop of 938 million bushels was the smallest since 1943 but it was still nearly 40 per cent larger than that of 1909, when we harvested 684 million bushels. Our average annual wheat production for the past five years has been 1,075 million bushels; for the five years 1905-1909 it was 681 million bushels.

Meanwhile the average American's annual consumption of wheat for food has dropped from 5.2 bushels in 1909 when the federal government started keeping such records to less than three bushels per capita in 1955. This has resulted from the steady shift in our national diet towards a larger content of dairy products, eggs, green vegetables and fruits, reports the family economics bureau.

• **Investable Funds Outlook** — By 1965 the principal financial problem facing financial institutions will be the task of placing the large volume of investable funds at their disposal according to predictions made by Eli Shapiro, associate dean, School of Industrial Management, Massachusetts Institute of Technology, at the University of Chicago's fourth annual management conference.

By 1965, those corporations which carry on a large share of national capital investment will be able to finance many of their investments

from income, reports Mr. Shapiro. This income will be set aside from depreciation allowances and from retained earnings.

"Consequently, the corporate demand for long term funds from the capital market is not likely to exceed \$7.5 billion in 1965. On the other hand, personal savings and the huge inflow of repayments on account of the high level of mortgage debt outstanding will together provide financial institutions with large sums of money to invest," predicts Mr. Shapiro.

One conclusion of this analysis is that interest rates will not be subjected to any pronounced upward pressure. Another conclusion is that the search for profitable outlets will lead institutional investors into the stock markets in greater degree.

• **Color Ratings** — Research conducted by Color Research Institute shows that some colors have high preference and other colors have low preference. Colors that had high preference 5,000 years ago, 2,000 years ago, 100 years ago still have high preference ratings. Most reds and blues are among such colors.

Over 20 years of testing colors show that color fads are accepted by less than 20 per cent of the people. Color preference is not established by promotion and does not grow and decline with the rate of advertising. Color preference is basically instinctive or natural. Some colors are stimulating, some are sedative, other colors are depressing.

Generally, people cannot tell what colors they like because they are not conscious of the effect colors have on them. They cannot explain why they like a color or why they don't like it. When asked, they try to find rational reasons which are usually not the reasons at all.

Color Research Institute surveys show that more than 80 per cent of color preferences are based on emotional stimulation or on inhibition. The preference for red is based on emotional stimulation. The preference for gray is generally based on inhibition.

Color fads involve less than 20 per cent of the population and are the result of "prestige-identification" derived from the promotion of the choice of experts. The vast majority of individuals cannot be educated like a low preference color if high preference colors are available.

Associations will change the preference rating of a color. For example, an orange-red rates low in comparison with a magenta red (blue-red) when there is no specific association with the color. However, an association with "kitchen" the orange-red rises in preference over 90 per cent and the magenta red drops about 30 per cent.

The preference rating of a color is conditioned not only by its value (tone or degree of purity), but also by the presence of other colors, by the size of the area the color occupies as well as by the object with which it is associated. Dosage, or the quantitative element, is as important in color as it is in everything else. A small area of bright red is stimulating but a mile of red can be nerve-racking.

Of the hundreds of colors tested, it was found that some colors have preference ratings as high as 90 per cent. Other colors rate below ten per cent in preference. When an article in a low preference color is purchased because of advertising, sales pressure, or social pressure, the purchaser does not necessarily like the color and often regrets the purchase.

A large promotion will increase the demand for a high preference color. A large promotion will also increase the preference of a normally low preference color but never to as high a percentage of preference as a high preference color already has without promotion.

What Price Earnings? — A study of the price records of 40 companies listed on the New York Stock Exchange indicates there is little or no relationship between the trend of a company's profits and the yield on

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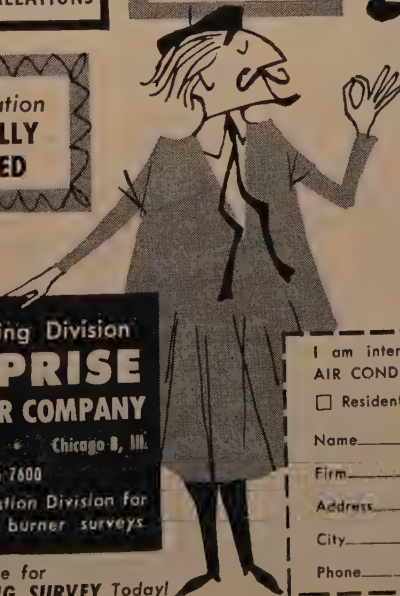
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its stock or the ratio of market price to earnings.

The study, made by the exchange, covered 20 companies with record high 1955 common share earnings and 20 with common share earnings below 1954. Each group showed wide variations in both yields and the ratios of market prices to earnings. Yields were based on March 9, 1956 market prices and cash dividends in 1955.

For the 20 issues with peak 1955 earnings, yields ranged from .8 of one per cent to 5.6 per cent. Sixteen yielded less than five per cent; four yielded five per cent or more.

How To Develop Foreign Markets

(Continued from page 13)

product involved is locally useful or essential. Approval of the contract carries with it permission to export resultant royalties in dollars.

The rate of royalties varies from country to country and, within the country, from product to product. For example, in one country a royalty of 15 per cent on the manufacturer's price has been approved for technical machinery, whereas the same country has limited the royalty in contracts involving pharmaceuticals to ten per cent of the wholesale price. In general, the rate of royalty on capital goods is higher than on consumer goods. On the latter, the royalty in one country is only seven per cent. Naturally the royalty range in each country should be ascertained.

The license fee, in some countries, is subject to local withholding taxes. However, the United States is negotiating with various countries for exemption of such royalty from the local tax. A couple of weeks ago, for instance, an agreement was reached between the United States and France exempting from French turn-over tax the license fee paid to American owners of patents, trademarks, processes and formulas, who qualify as inventors.

In a number of countries under our treaties, royalties are not taxable. England is an example.

Participation in established foreign companies is, of course, a matter of individual preference. If it is deemed the most desirable method, it is, again, a question of individual preference whether the interest to be acquired should (or must) be a

For the 20 stocks with lower 1955 profits, yields ranged from 2.3 per cent to 6.7 per cent. Twelve issues yielded less than five per cent; eight were over five per cent.

Market prices of the 20 issues with record earnings varied from 8.5 times earnings to 32.2 times. Sixteen were selling for more than ten times earnings, four for less.

For the other group, market prices ranged from 7.8 times earnings to "an almost fantastic" 137.5 times. Sixteen of these stocks were selling for better than ten times earnings and four for less than ten.

controlling or a minority one. Here it must be borne in mind that many countries limit foreign capital in domestic enterprises to a minority share. Among such countries are Brazil, India, and the newest Asian and African "democracies."

The regulations and practices of each country on such things as repatriation of capital, and rate and convertibility of dividends, must be ascertained and weighed.

The matter of taxation must also be investigated and considered. Dividends received by Americans on minority holdings in foreign companies are taxed by the United States as well as by the foreign governments. However, efforts are being made to correct this inequity by treaties between our government and individual foreign countries.

If the survey made indicated that the potential market justifies the establishment of your own foreign organization, your legal and tax experts should find the answers to the following questions:

1) Do exchange restrictions exist? If so, can the prospective investing company "live with" the laws and regulations and the method of administration? There are few countries in the world today where exchange is free, but I have a feeling that more countries will follow the recent example of Argentina and allow a free exchange market in addition to the official one. In Argentina even profits gained since the advent of the present government may now be remitted through the free market.

2) May the business legally be

conducted by foreigners in the particular country? This information is readily obtainable.

3) If the answer to the last question is favorable, will the foreign owner be allowed to retain effective control over the management of the business? The matter of retention of effective control by "foreign" owners is becoming a serious problem in more and more countries. A notable example is India. Within a relatively short time this may be an urgent question in many of the countries of Latin America as well as in the newly created Asian and African democracies.

4) Do the laws of the country adequately protect the property rights of investors? For example, does the country have any record of confiscation or nationalization of foreign property? Some insurance against confiscation is afforded by U. S. governmental agencies.

5) Will the organization be permitted to hold real and other property needed in its operations? This information is readily obtainable from the consulates of the different countries.

6) Will earnings be limited arbitrarily and may earnings and capital be repatriated? Many countries, through price control, are limiting profits of manufacturers. The limit is sometimes arbitrary, with no regard for a fair return percentage-wise on the capital invested. For instance, even England is now considering the limitation of profits of manufacturers of the ethical drugs prescribed by physicians under the National Health Service, making no allowance whatever for the sums a manufacturer may spend on research. A greater number of countries limit the percentage of earnings in relation to capital that may be repatriated. Some permit repatriation of capital invested after a given date.

7) Will the organization be able to employ necessary personnel, including non-natives? There are more and more countries which increasingly limit the percentage of non-native employees. At the start, in any country, it is essential that the managing personnel be trained in the United States. However, this trained management should, in turn, train native employees who will eventually be qualified to conduct the business. The change-over would

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necessarily be a gradual process and would be slower in some countries than in others.

8) Will the organization be allowed to import necessary machinery and raw materials? This will depend largely on the foreign exchange position of the individual country, and on the importance to the country of the product to be made. If the goods involved can be efficiently manufactured so that they can be sold economically locally and at competitive and profitable prices in export to countries whose currencies are needed by the manufacturing country, the authorities usually make import permits available. However, all countries with exchange restrictions are controlling imports of machinery and raw materials with increasing severity if they are intended for the manufacture of less important products, or products to be exported mainly to soft currency countries. Import control in England today notably illustrates this tendency.

9) Do the laws of the country afford ample protection to industrial property rights, such as patents, trademarks, and copyrights? The enlightened nations today give this kind of protection with some few exceptions (perhaps the exceptions should not be considered enlightened?). There is no protection, for instance, under the present Italian patent law, in the pharmaceutical field. As a result, no American pharmaceutical manufacturers have established plants in Italy, though a few have bought into established Italian companies. An effort is being made to amend the patent law to afford protection to pharmaceutical processes. One obstacle is that the Italian manufacturers want immunity from claims based on past sins, and demand the inclusion of general licensing provisions at absurdly low royalty rates.

If all of the foregoing questions can be answered reasonably in the affirmative, a more thorough study is made of the laws of the prospective host country. The following should be considered: general corporate and commercial laws; tax laws and regulations; labor laws, regulations and practices; the status of government or state trading organizations in the particular business.

Probably the most burdensome provisions of the labor laws of the Latin American countries are those dealing with the dismissal of em-

ployes and severance pay for dismissal or retirement. An example of a stringent rule regarding severance pay is the law of Colombia which provides for one month's severance pay for each year of service, whatever the reason for termination of service. There are only three exceptions which include offenses of a very serious nature against the employer and his property. In other words, an employe may quit his job voluntarily and still be entitled to severance pay under the law. This is obviously an abuse of the original concept of severance pay, which was intended to indemnify those workers who were dismissed without cause and takes the place of unemployment compensation as we know it. The severance compensation in Colombia is computed on the basis of the last salary of the employe which includes cost of living bonuses and such other bonuses as he may have received. In most countries severance payments are only required to be made if the employe is dismissed without cause.

Dismissal of Employees

The laws of Cuba and Brazil are the most onerous to the employer with respect to the dismissal of employes; in fact, the net result of their legislation is to make it almost impossible to dismiss an employe even for just cause. While the laws of these countries do make provision for dismissal for cause, the administration of them is such that in most controversies the employer cannot succeed; such cases are brought before special labor courts rather than the usual tribunals. "Just cause" in most instances includes such offenses as disloyalty, dishonesty, habitual drunkenness, and insubordination.

However, there are exceptions. Take the case of a Cuban employe who was discharged for habitual drunkenness. He took his case to court. The drunkenness was not denied by him — in fact he made the most of it. The court ruled that his habitual drunkenness was no just cause — rather the contrary — because its roots could lie in the frustrations and problems arising out of his employment.

In the Dominican Republic, an employe was dismissed for embezzlement, to which the company's manager and its outside auditor testified

in court. The judge ruled that their testimony was incompetent because they were interested parties!

In Brazil an employe who has served more than ten years may be discharged for just cause only after an administrative inquiry by the Ministry of Labor. However, notwithstanding the justification of his dismissal, his ten years of service entitle him to an indemnity of one month's salary for each year of service. He may also be discharged if the employer can show that he is "incompatible" with the work, but in such case he must be paid a double indemnity; two months' salary for each year of service. Thus it is actually impossible to dismiss the employe with ten years of service without cause, even if the employer were willing to pay the indemnity.

Cuban Law

While these provisions of the Brazilian law are severe, the Cuban law is even more unfavorable to the employer. There, regardless of the years of service, it is practically impossible to dismiss an employe even for just cause. For example, an employe with only a few years of service, cannot be dismissed until he has actually been convicted of the larceny after criminal prosecution; only the conviction is considered sufficient proof of the theft to meet the definition of "just cause." And even then the labor courts have been known to find in favor of the employe when the question of dismissal is brought before them.

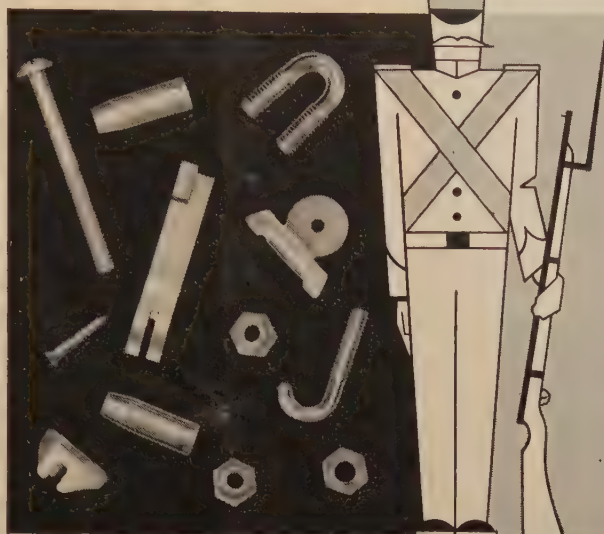
Among labor and wage laws of different countries there are some provisions that seem strange by our standards.

For example, in Chile, Panama and Venezuela, the so-called "Ley de la Silla" requires that certain commercial establishments provide a sufficient number of chairs for employes. In Brazil no work may be done by women for six weeks before and after childbirth; and if her employer is duly notified of her condition, she is entitled to full pay. Larger firms must maintain a properly staffed nursery for the babies of nursing mothers and give them time off to nurse their babies.

In Colombia a wage earner who gets less than 80 pesos per month must be supplied with a pair of

(Continued on page 34)

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Industrial Developments

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INVESTMENTS in industrial plants in the Chicago area for the first four months of 1956 totaled \$296,104,000, the largest total volume of projected expenditures on record for a four month period. The previous four month record was set back in 1942 when the expansion plans called for expenditures of \$275,353,000. The total for the first four months of 1955 was \$73,638,000. For the month of April, 1956, total announced expansion expenditures were \$36,523,000 as compared with \$8,745,000 in April, 1955.

Texas Company is erecting a new unit at its Lockport refinery for the production of anhydrous ammonia and ammonia derivatives. The new plant will be one of the largest units of its kind in the mid-west. The producers of this facility are much in demand as a component in the manufacture of fertilizer.

Ford Motor Company will expand its Ford Division's assembly plant at 12600 Torrence Avenue by the addition of 300,000 square feet of floor area. This will increase the capacity of this unit to a total of 720 cars and trucks a day, when operated on two shifts. The new capacity will allow the company to manufac-

ture and assemble all models of Ford cars and station wagons. Some sub-assemblies, now performed in other plants for the Chicago market, will be carried out in the Chicago unit. When completed, the expansion will make the Chicago area assembly plant the fourth largest among Ford production units of this type.

• **Reflector Hardware Corporation**, 2245 S. Western avenue, manufacturer of metal merchandising and display equipment, will erect a 216,000 square foot plant on a 24 acre site at 25th avenue and Division street in Melrose Park. The building will house the manufacturing, warehouse and office facilities of the company, and will have a cafeteria, display room and engineering department. A large plating department will be included in the manufacturing facilities. A. Epstein and Sons, Inc., engineer.

• **Johnson Motor Division** of Outdoor Marine and Manufacturing Company in Waukegan will expand its plant by the addition of 197,000 square feet of floor area which will be devoted almost entirely to the production of outboard motors. The company expects to occupy the expanded area of the



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plant by the first of the year. Shaw, Metz and Dolio, architect; Campbell-Lowrie and Lautermilch Corporation, general contractor.

• **Pepsi-Cola General Bottlers, Incorporated** is erecting a new bottling plant at the Northeast corner of 51st and Union streets. The new structure will contain 150,000 square feet of floor area. The company will occupy the building on a lease-back arrangement with Northwestern University.

• **Imperial Brass Manufacturing Company**, 1200 West Harrison street, has begun construction on a plant containing 146,000 square feet of floor area located at the Northwest corner of Howard street and Mobile avenue in the village of Niles. This large plant will be devoted to the manufacture of the company's line of tubing for refrigeration and air conditioners, valves, fittings, tools and plumbing specialties. Shaw, Metz and Dolio, architect.

• **Jewel Tea Company, Incorporated** is starting construction of a bakery which will contain 70,000 square feet of floor space and will be located at 1955 W. North avenue, Melrose Park. The new plant will afford baking facilities for the company to produce its own line of Jewel-Maid bakery goods. It is located at the site of the Company's large warehouse in Melrose Park. A. Epstein and Sons, Inc., engineer.

• **Maurice Lenell Cooky Company**, 4038 W. Belmont avenue, is erecting a new headquarters plant at 4474 N. Harlem in Norridge. The new building will contain 34,000 square feet of floor area, nearly doubling the size of the present location. The company will relocate its entire operations to the new plant when completed around the first of the year. Melvin A. Nelson, architect.

• **Harbison-Walker Refractories Company** will erect a plant for the production of basic brick refractories for use in the steel, cement, glass and metallurgical industries. The plant will be located on a 60 acre site at Kennedy street between the Grand Calumet River and the Indiana Toll Road in Hammond. It will be partially in operation by

the end of 1956. The company also operates a silica brick plant in East Chicago. A company spokesman stated that the industrial growth in the Chicago area and the possibility of water transportation had combined to make a Chicago area site essential for the company, which is headquartered in Pittsburgh, Pa.

• **Norge Chicago Corporation**, the Chicago subsidiary of Borg-Warner's Norge Division, has acquired the building at 1900 N. River road, River Grove, for warehouse and office space. John Green & Company, broker.

• **E. J. Brach and Son**, 4656 W. Kinzie street, is erecting a five story warehouse and a four story top addition containing a total of 78,000 square feet of floor area to its huge west side plant. One of Chicago area's largest confectionery manufacturers, the company has erected several large plant additions since the war. Carl E. Erickson and Company, general contractor.

• **Hill-Hubbell and Company**, Division of General Paint Company, is erecting a new plant at 161st street and Kennedy avenue in Hammond. The new structure will contain 75,000 square feet of floor area and will be devoted to the manufacture of pipe wrappings. The plant will be served by the Indiana Harbor Belt Railroad. The company will move from its present plant upon completion of the new structures.

• **Reynolds Metals Company** is expanding its large plant in McCook with the addition of a shipping facility and a box shop for packaging its finished products. The addition will contain 90,000 square feet of floor area. The company is completing work on a larger project for producing tapered skins for aircraft which was announced more than a year ago.

• **Olive Can Company**, 450 N. Leavitt street, will move its operations to a new plant which it is building at 4700 N. Oketo avenue in Harwood Heights. The new structure will contain 50,000 square feet of floor area and will allow the company to lessen the effects of seasonal fluctuations on its business.

efstad Engineering Company, engineer.

Ogden Coil and Transformer Company, 2120 W. Carroll avenue, will move its facilities to a newly acquired building at 3323 W. Cermak road where it will have greatly enlarged space for increased production.

Paraplegics

(Continued from page 15)

ected for by the company is on a competitive bid basis.

"We aren't looking for charity. All we want is an equal opportunity bid on jobs for industry," says Mr. Guilfoil. He contends that the productivity of his shop equals or exceeds that of the average shop employing the non-handicapped. He attributes this to a low rate of rejects and a high mentality and morale level among the employees.

Currently Paraplegics is working 40 different jobs for 12 accounts. According to Mr. Guilfoil, the firm has about 25 active accounts. Some of the well-known companies that have been customers (and in many cases, still are) include Bell and Howell Company; Western Electric Company, Inc.; Teletype Corporation; Motorola, Inc.; Stewart-Warner Corporation; Admiral Corporation; Rotopoint Company; Hallicrafters Company, and Sears, Roebuck and Company.

In addition to the subcontracting work, the firm puts out some products under its own brand names. It has laboratory test equipment under the name of Pamco Products and high fidelity amplifiers for the home under the name of Duofonic.

Because most of its work is done on a contract basis, Paraplegics has some ups and downs in the number of employees on the payroll. However there has never been a shortage of good workers among the handicapped and the company's only lament is that it can't hire a bigger share of the estimated 50,000 employable handicapped individuals in the Chicago area waiting for a job opportunity. Recently Guilfoil advertised for more help specifying the basic requirement, a physical handicap, and was swamped with desirable applicants. "This is the American way of doing business; and we don't know a better way. After all we don't hire these people, we will



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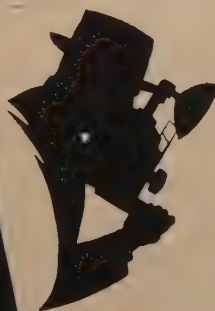
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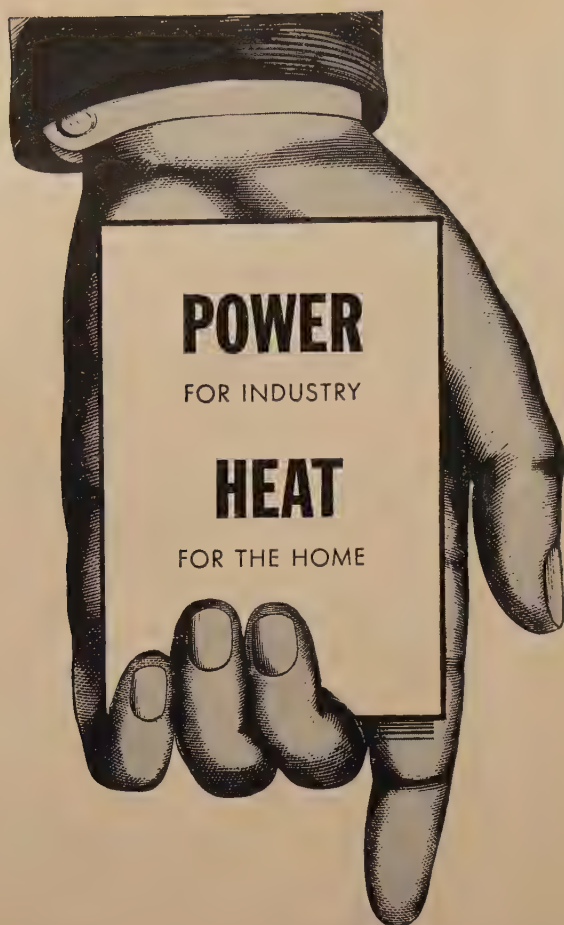
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have to pay taxes to support them," explains Mr. Guilfoil.

A by-product of the company experience in hiring only the disabled has been many requests for help in locating similar employees for other companies. "While we're not an employment agency, we have tried to be helpful when we could," says Mr. Guilfoil.

One of the able-bodied employees of Paraplegics, Inc., a Purple Heart veteran of the Korean War, is the firm's sales engineer. He is the contact man between the company and its customers. A non-handicapped person is used in this job because the company doesn't want sympathetic consideration given to its bids.

Mr. Guilfoil's secretary, who is also in constant contact with the public in her double role as receptionist, is another of the few non-handicapped workers.

Sitting across the desk from Mr. Guilfoil, there is little outward evidence that the chief executive is any different from the head of any other well-run private business. Except perhaps he is less dependent than most upon his secretary. When he needs anything from a file or another room, he deftly rolls himself in his wheel chair, which also serves as his desk chair, to whatever he wants and in the spirit that prevails throughout the company says: "I can get it much easier."

Here, There and Everywhere

(Continued from page 9)

provide additional profit incentive for investment, according to Ralph Robey, professor of banking, University of South Carolina.

• **Home Financing** — Savings and loan associations financed the building of 2,315,000 new houses in the ten year period from 1946 to the close of 1955 according to the United States Savings and Loan League. These institutions financed 110,000 new houses in 1946. Each year since then, this number has increased sharply until last year it totalled 435,000.

• **Billion-a-second** — Hydrogen bomb shock waves, racing across Chicago at 1,000 mph, would destroy property values at a rate of a billion dollars a second according to Francis B. Porzel, senior science advisor at Armour Research Foundation.

Transportation and Traffic



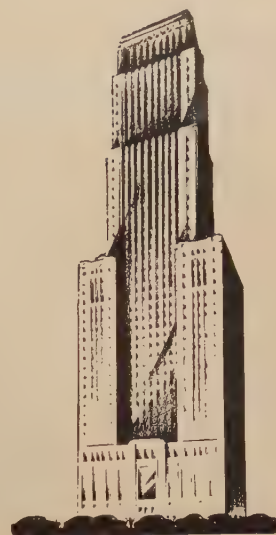
THE Interstate Commerce Commission, on April 12, 1956, issued three new service orders aimed at relieving the present serious shortage of freight cars. Service Order No. 911 directs railroads to place loaded cars on carrier's or consignee's unloading track within 24 hours after the first 7 A.M. following arrival at destination station or serving yard. The order also provides that where switching service is performed more than four days a week, empty cars must be removed within 24 hours after the first 7 A.M. following unloading or release by consignee, unless such cars are ordered or appropriated by the shipper for reloading within such 24-hour period. Another provision of the order requires all inbound loaded cars to be pulled from loading place or interchange tracks of industrial plants within 24 hours from the first 7 A.M. following acceptance by the carrier of the shipping order. Also, that such cars be forwarded in line haul service within 24 hours after the first 7 A.M. following their receipt in outbound makeup or classification yards. Service Order No. 912 sets a maximum of six days free time for unloading box or refrigerator cars at ports, and Service Order No. 913 establishes a four-day free time on all freight cars held for loading at ports. All three orders became effective April 23, 1956, and are scheduled to expire December 31, 1956.

C.A.C.I.'s Efforts to Gain Chicago Rates for Suburban Areas Successful: Continued efforts on the part of the Chicago Association of Commerce and Industry aimed at securing and preserving rate equalization on motor carrier shipments from and to all industrial points in the Chicago Commercial Zone, met with twofold success. The Eastern Central Motor Carriers Association has issued a supplement amending

Rate Group Tariff No. 30, effective April 6, 1956, by assigning Evanston, Hillside, Morton Grove, Skokie, Golf, Hinsdale, Niles, Westchester and Western Springs, Illinois to the Chicago rate group. These suburban points are presently assigned to either the Waukegan or Aurora, Illinois rate group. Another favorable development was the adoption by Central States Motor Freight Bureau's Standing Rate Committee of Docket No. 24933 which proposes to amend Tariffs 600 and 601 by assigning Evanston, Lincolnwood, Morton Grove, Niles and Skokie, Illinois, to the Chicago rate group in lieu of the Waukegan, Illinois, rate group as now shown. In testimony presented in support of the adjustments, the C.A.C.I. pointed out that these suburban points are an integral part of the Chicago industrial area and that any differential in transportation charges over Chicago places industries located therein at a disadvantage in competing with industries located within Chicago proper. The C.A.C.I. also traced the tremendous industrial development which has taken place in this area in less than a decade due principally to an influx of firms formerly located in Chicago that found it necessary to move into this outlying district in order to properly expand their plant facilities and provide adequate truck loading and unloading docks.

• **Approve Increase in Motor Carrier Rates to East:** The General Committee of Eastern Central Motor Carriers Association has amended and adopted a general rate increase proposal, Docket SR-6615, as follows:

"(1) Publish a 6 per cent increase in rates and arbitraries in E.C.M.C.A. Tariffs 17-E, 21-C, 22-H, 25-B, 27-A, 28 and 32 in the manner outlined in the docket observing a 5 per cent increase on Packing House Products



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and Meats in connection with rates in E.C.M.C.A. Tariffs 17-E, 22-H, and 27-A.

“(2) Publish a 6 per cent increase in connection with truckload or volume rates and arbitraries to which are attached a minimum weight in E.C.M.C.A. Tariffs 10-A, 11-A, 12-H, 19-J, 24-B, and 31-A.

“(3) Publish a 6 per cent increase in the L.T.L. or A.Q. rates and volume or truckload rates to which are attached a minimum weight in E.C.M.C.A. Tariffs 15-K and 29 in the manner outlined in the docket observing Ex Parte 196-A maxima.

“(4) Publish a 6 per cent increase in all accessorial service charges in E.C.M.C.A. Tariffs 10-A, 11-A, 12-H, 14-K, 15-K, 17-E, 19-J, 21-C, 22-H, 24-B, 25-B, 27-A, 28, 29, 31-A, and 32.

“(5) Proposed increase in connection with L.T. or A.Q. rates in E.C.M.C.A. Tariffs 10-A, 11-A, 12-H, 19-J, 24-B, and 31-A deferred.”

• **Percentage Increases in Railroad Freight Rates by Districts:** The following table shows for the major districts and regions estimates of the over-all percentage increases allowed to date over the rates on June 30, 1946, and the effect of the Ex Parte No. 196 increases over the basic rates of May 17, 1952.

District or Region	Cumulative since June 30, 1946, including Ex Parte No. 196 (Per cent)	Over rates in effect on May 17, 1952 as result of Ex Parte No. 196 increase (Per cent)
Eastern district	93.4	5.5
Pocahontas region	85.2	5.1
Southern region	89.6	5.6
Western district	83.4	5.6

All percentages include effects of hold-downs.

How To Develop Foreign Markets

(Continued from page 34)

shoes every six months. In Bolivia Christmas presents are compulsory — a month's pay to salaried employees and 25 days' to laborers.

A number of countries have laws providing for compulsory payment of bonuses; others require profit sharing at varying percentages of profit.

After all of these points have been carefully considered, there are still the United States tax factors to investigate. Your tax consultant can

• **Court Restrains Enforcement of Freight Car Service Order:** Judge William East of the U. S. District Court at Portland, Oregon granted temporary restraining order against Interstate Commerce Commission enforcement of Service Order No. 910, which was scheduled to become effective April 9. The order, according to the commission, was aimed at easing the current freight car shortage and would prohibit railroad from:

1. Willfully delaying the movement of loaded cars by holding such cars in yards, terminals, or sidings for the purpose of increasing the time in transit.

2. Setting out loaded cars between terminals, except in cases of emergency or sound operating requirements.

3. Backhauling loaded cars for the purpose of increasing the time in transit.

4. Handling through loaded cars on local or way freight trains for the purpose of increasing time in transit.

5. Using any route for the movement of loaded cars other than the usual and customary fast freight route, except in emergencies, or for the purpose of according a lawful established transit privilege (not including a diversion or reconsignment privilege).

inform you of the present allowance made by the Treasury — which roughly gives the benefit of all income taxes paid abroad by a subsidiary company up to the equivalent of the United States tax rate. However, it will not allow the full rate of 52 per cent if the tax in the foreign country is, say, only 30 per cent.

For instance, if the tax rate in a country were 60 per cent, and the amount was paid to the foreign

country on the net earnings of a subsidiary, only up to 52 per cent of the amount would be allowed as a tax credit. On the other hand, if the rate were 30 per cent in the country, 30 per cent is the limit that could be allowed as a tax credit in the United States.

There is now a bill before Congress, known as the Cooper Bill, which would make foreign earnings taxable at only 38 per cent, the rate allowed to Western Hemisphere companies.

If dollar shortage becomes more acute the advantages of manufacturing abroad will become even greater. Not only can the wants of the individual country be taken care of, but, if labor conditions are right and exchange conditions are propitious, a sizeable export business can be developed with this foreign manufacturing subsidiary. For instance, many American companies have already established manufacturing plants in England which take care of the demands not only of Great Britain but also of most of the surrounding area. Well over 50 per cent of the world's commerce is done within the sterling area. These American companies have all the advantages of U. S. manufacturing methods and efficiency, and with cheaper labor have a decided advantage on price and quality over many of the local manufacturing companies. In addition, American subsidiaries have a far wider range of markets than the American parent company because of the easier exchange conditions with the pound sterling as compared to the American dollar.

German Subsidiaries

Recently Germany has been establishing manufacturing subsidiaries in Brazil for the purpose of supplying not only Brazilian demands but also those of other Latin American countries.

In connection with wholly-owned foreign subsidiaries, there is a peculiar ruling by the S.E.C. concerning the results of a devaluation in the currency of a foreign country in relation to the U. S. dollar. If, for instance, a wholly-owned foreign subsidiary in England were consolidated on an American balance sheet, and had net current assets of £25 million in England, in U. S. dollars these net current assets would be

worth \$6 million less at a \$2.80 pound than they were at a \$4.00 pound. Under the ruling of the S.E.C., this difference of \$6 million would have to be deducted from current net earnings.

In other words, if the \$6 million was earned in the United States and had this alleged loss in England as a result of devaluation to the amount of \$6 million, under the S.E.C. ruling the net earnings would be nothing.

The converse would also be true — if the value of net current assets

in England, upon revaluation of the pound from \$2.80 to \$4.00, went up \$6 million and nothing was earned in the United States at all, under this same ruling consolidated net earnings would be \$6 million. This is a ridiculous rule and does not reflect the true earnings picture of any company. Therefore, as long as this regulation is in effect, it is much better to deconsolidate from the balance sheet wholly-owned foreign subsidiaries and take into earnings only the amounts actually received in dollars as dividends.

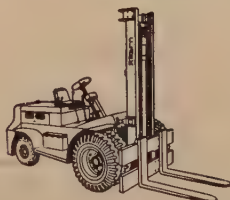
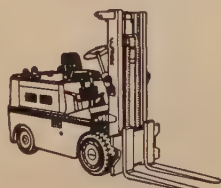
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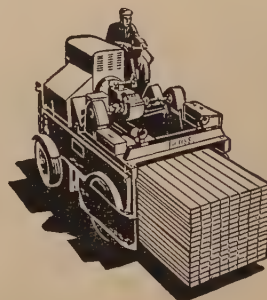
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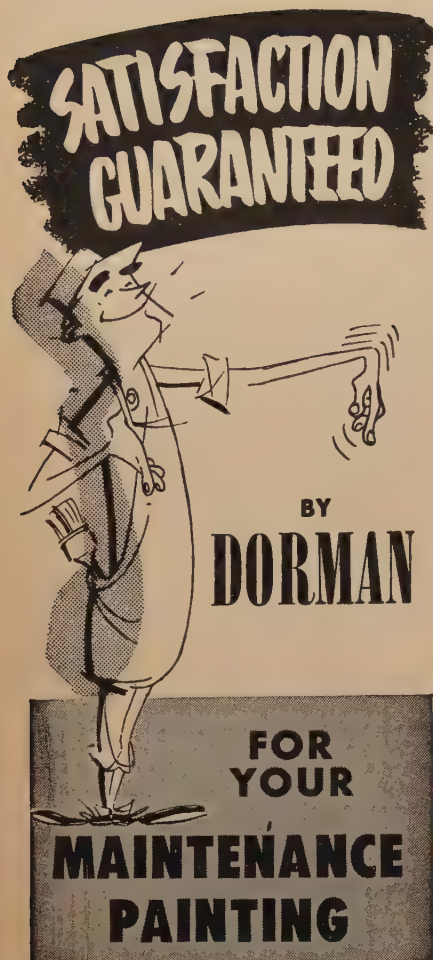
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New Products

Fluorescent Lamp

A new fluorescent lamp with double the light output of present tubes of equal length has been developed by the General Electric Company. The increased light is made possible by a series of lengthwise dents or grooves along one side of the fluorescent tube. At the grooves, the new tube is nearly U-shaped in cross-section. This design permits a maximum circumference of the tube while constricting its inside area. The greater light output results from an increase in area of the lighted tube surface, the higher wattage at which the new tube can be operated, and the more effective use of energy within the tube.

Synduction Motor

A basically new synchronous motor, the synduction motor, for general industrial use has been announced by Allis-Chalmers Manufacturing Company. Developed at the firm's Norwood Works, the motor is available in ratings from 1/4 to 40 horsepower, is built on standard induction motor frames and enclosures, and uses a simple die-cast rotor. The motor requires no brushes, slip rings or windings on the rotor, separate source of direct current excitation, or special starting equipment.

Portable Mixer

A portable mixer that allows builders to mix such things as concrete, plaster, or terrazzo closer to their work has been introduced by the Master Vibrator Company, 561 Stanley Avenue, Dayton, Ohio. The mixer utilizes a portable electric mixing unit that is inserted into a large metal tub in much the same manner as a portable kitchen mixer. It is powered by a one horsepower motor and can be operated wherever there is a 115-volt outlet.

Portable Metal Checker

Brush Electronics Company, 3405 Perkins Avenue, Cleveland 14, Ohio,

is producing a new portable electronic instrument for checking metals without laboratory analysis. Called the "Metal Monitor," it can identify ferrous and non-ferrous metals by comparative testing with known samples and can be used to sort mixed metals of unknown character into homogenous groups for further testing. It weighs 21 pounds.

For Heavy Dock Work

A new 3,000-pound, 48-inch Docker for use on shipping and loading docks has been announced by the Automatic Transportation Company, 149 W. 87th Street, Chicago, Illinois. Heaviest of the Docker line yet produced, the new model can operate in 7 1/2-foot aisles and lift a capacity load 128 inches. It is available with either monolift or duolift hydraulic lift.

Hearing Aid

A new, four-transistor hearing aid that can be worn as a conventional hearing aid; as a clasp on a man's necktie or as a fashion accessory for wear on a woman's collar, suit lapel, dress, or scarf is being marketed by Zenith Radio Corporation. Called the "Crusader-X," it is housed in a gold color case. Complete with battery, the unit is almost as light in weight as a lady's lipstick.

Straddle Type Pallet Truck

Barrett-Cravens Company, 628 Dundee Road, Northbrook, Illinois, has announced a new straddle type, lightweight, hi-lift electric truck for double or single face pallets. This battery-powered, walking-operator truck has a capacity of 4,000 pounds, an overall height of 83 inches, and a fork elevation of 68 inches. In the telescopic mast unit, fork elevation up to 131 inches can be provided.

Coin Counter

An automatic coin counting and packaging machine capable of processing 900 rolls of coins per hour is being produced by the Johnson Fare

Box Company, 4619 Ravenswood Avenue, Chicago 40, Illinois. The machine, priced at \$1,995, handles pennies, nickels, dimes, quarters, and half dollars and is for use by banks and other institutions handling large volumes of coins.

Private Intercom Telephone

A new private line intercom telephone has been announced by the Tube-Strut Division of Tubular Structures Corporation of America, 83129 Riverside Drive, Los Angeles, California. These are self-contained units that require nothing to install. Operating on flashlight batteries, they give clear voice reception up to 1,000 feet. Equipment is original Bell Telephone equipment and is also available with a master station for multiple hook-ups.

Traffic Court

(Continued from page 19)

between 200 and 250 men to the city's police corps.

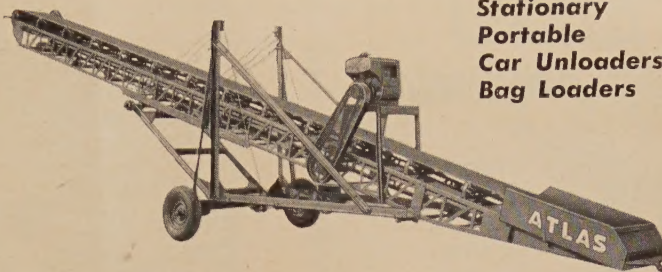
During their first month, the traffic center's cashiers processed between 1,000 and 3,000 tickets a day. The total for January as a whole was 53,563 tickets, involving fines amounting to more than a quarter of a million dollars. Officials say these figures will increase markedly as the few remaining bugs in the operation are worked out.

One reason things have gone so smoothly so far is the vast array of mechanical equipment that has been installed. There's a pneumatic tube system, for example, which carries case records from the assignment desk to the courtroom, and case dispositions from courtroom to cashier. And behind the cashiers is an army of automatic filing machines. At the touch of a button, one of these gadgets delivers a loaded filing tray which makes it possible to pick out the traffic ticket of a given motorist in a few seconds. Each machine holds records of anywhere from 20,000 to 60,000 drivers.

On the second floor of the center is a room filled with automatic accounting machines — keypunches, electronic sorters, interpreters, reproducers, and tabulators. Here, traffic warning notices, warrants, and various kinds of statistical records are prepared.

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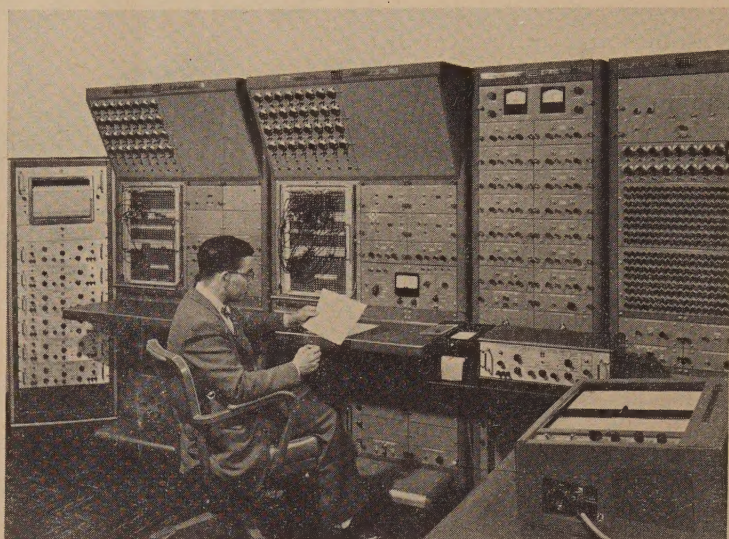
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Introduce New Computing Center

This computing center, representing a capital investment of nearly \$100,000, contains an array of automatic computing equipment of the electronic analog type. It is said to be the first such installation to be made by a professional service type organization. Ordinarily this type of equipment is found only in academic or basic research organizations. The installation has been made by Tammen and Denison, Inc., industrial designers and consulting engineers, 650 Clark Street, Chicago, Ill.

— much of which is new — the city is now setting up a new record system which will contain a complete history of every driver's traffic violations. This record will be used by the judge if the motorist is charged and convicted again, as an aid in determining the severity of the penalty.

"We've come closer to automation than any other traffic court in the world," one of the center's systems experts explains. And someday soon, the gap may be narrowed still further, he added. Officials currently are considering acquisition of a specialized kind of electronic brain known as the "file computer." This gadget would be able to "memorize" the record of every Chicago motorist ever charged with a moving violation, and supply a given record at the touch of a button.

Besides consolidating the city's traffic courts, the center also centralizes several other organizations that play important roles in traffic law enforcement. The psychiatric

clinic has been moved over from 11th and State, likewise the probation officer. The state's attorney has space in the new building, and shortly the traffic division of the city police department will pick up stakes at Navy Pier and head for LaSalle Street. The city is trying to get a branch of the secretary of state's office established at the center also. With all of these agencies under one roof, a lot of paperwork will be expedited or eliminated, and the problem of coordinating the war on automobile accidents and reckless drivers will be greatly simplified.

Centralizing departments into the newly acquired Reid-Murdoch building is already saving the city between \$6,000 and \$7,000 in monthly rentals. These savings will increase as the building is filled. Chicago paid approximately \$4 million dollars for the building. Of the total space, only 43 per cent is devoted to the new traffic center. This new center alone is already paying substantial dividends for the whole investment.

Wasteful Methods

(Continued from page 12)

ed it has been successfully adopted
the Atomic Energy Commission.

The purpose of the commission's
commendations is to greatly simpli-
fy the budget and in that way the
people can understand it and can
astore to the Congress the control
the purse.

As one example of loss of control
the purse, the departments at the
ad of the fiscal year 1954 had an
estimated \$68 billion of unspent ap-
propriations which they could use
over future years without review by
the Congress, and of this an esti-
mated \$22.8 billion had not even a
suggestion of being obligated. Here
where Congress lost control of the
urse.

Efficient accounting is also one of
our government problems. Account-
ing means more than just tabulating
expenditures. Proper accounting
methods are needed in government,
as well as in industry, to provide the
information for effective manage-
ment. It has been estimated that
10,000 full-time employees and tens
of thousands of additional man-years
in part-time efforts are required to
compile the financial facts which
government agencies now need and
to assure the public of integrity in
government spending.

The present law governing ac-
counting was passed in 1950 and
includes part of the first commis-
sion's recommendations, but the gov-
ernment accounting still needs:

1. A plan of uniform accounting
by the agencies so that an accurate,
intelligent statement of expenditures
can be presented to the public.

2. Advancement of more modern
accounting methods through the ap-
pointment of a director for account-
ing in the Bureau of the Budget
whose specific duty would be to work
out a planned system jointly with
the comptroller general and the
treasury.

3. Appointment of comptrollers
in more of the larger agencies to
advise the head of the agency on
financial matters and to enforce the
policies laid down by the comp-
troller general and the new assistant
director of accounting from the
Bureau of the Budget and to recruit
and train qualified accounting per-
sonnel.

4. A number of reforms affecting
the present allotment system, the
revolving funds property accounting,
and other problems.

The benefits which would result
from improved financial manage-
ment cannot be calculated with any
degree of precision, but the task
force believes the resultant dollar
savings could reasonably be expected
to amount to \$4 billion, which is

approximately 8.5 per cent of the
controllable budget expenditures.

In these reforms the Congress will
value the opinions of business men.
Here are two goals at which to aim
at once, and they reach much fur-
ther than saving money and taxes.
Competence and leadership in house-
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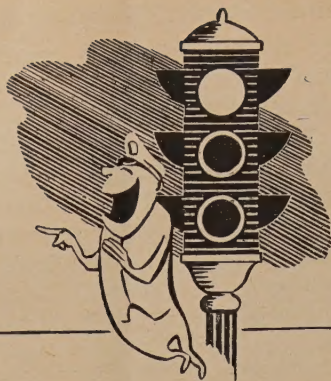
Patrolmen — Uniformed Guards

CARS EQUIPPED WITH TWO WAY RADIO

KEDZIE PROTECTIVE PATROL

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Stop me... If...



Cora: "I hear you have accepted Joe. Did he happen to mention that he had proposed to me first?"

Laura: "Not specifically. He did say he had done a lot of foolish things before he met me."

A woman went to a doctor to complain about her husband's delusion. "It's terrible, Doctor," she said. "All the time he thinks he's a refrigerator."

"Well," consoled the medical man, "that isn't too bad. Quite a harmless delusion, I'd say."

"The delusion I don't mind, Doctor. But when he sleeps with his mouth open, the little light keeps me awake."

There was a professor of law who said to his students:

"When you're fighting a case, if you have the facts on your side, hammer them into the jury, and if you have the law on your side, hammer it into the judge."

"But if you have neither the facts nor the law?" asked one of his listeners.

"Then hammer on the table," answered the professor.

The boss was berating his porter for coming to work later each day. "Don't you want to amount to something?" he asked. "Don't you know that you will never get anywhere unless you get up early in the morning?"

"Well, Ah don't know," replied the porter. "Ah've noticed that them that gets up early goes to them that gets up late to get paid."

"How are you getting on at home since your wife went away?"

"Fine. I've got to the point now where I can put my socks on from either end."

As the boat was sinking, the captain lifted his voice to ask: "Does anybody know how to pray?"

One man spoke confidently: "Yes, captain, I do."

"That's all right then," he declared. "You go ahead and pray. The rest of us will put on lifebelts. We are one short."

Irate father to son: "I sacrificed everything I had so you could study medicine and now that you are a doctor, you tell me I have to quit smoking."

Trying to rest after an exceedingly hard day, poor father was being bedeviled by an endless stream of unanswered questions from little Willie.

"What do you do down at the office?" queried the youngster.

"Nothing," shouted the father.

It looked as if the boy had been shut up for a while, but not for long. After a thoughtful pause, Willie asked, "Pop, how do you know when you're through?"

A Seattle chest X-ray worker thought she saw a familiar face in the line of persons being X-rayed, asked the woman if she hadn't already had an X-ray.

"Certainly," replied the woman. "I've had three already. The first didn't help me, but after the second one I began feeling a lot better. I don't have to stop taking treatments, do I?"

The sergeant was drilling his platoon, which was pretty ragged, to say the least. Finally he brought them to a halt.

"You should all be ashamed of yourselves," he growled. "I've seen better drilling by little cans of beer on my television set."

A stenographer turned up for work one morning flashing a big diamond ring. It was too much for some of her fellow workers who began casting some catty remarks about it. One asked, "Where did you get THAT?" "Oh," replied the steno airily, "when grandma died she left \$1,000 for a stone in her memory — and this is it!"

A curious little man sat next to an elderly prosperous-looking man on a train.

"How many people work in your office?" he asked.

"Oh," responded the elderly man, "should say, at a rough guess, about two thirds of them."

Draftee — "Goodbye, dear. Look after the home well, and if you need money while I'm gone, just go to the bank."

Wife — "Yes, dear. What time does the bank open this morning?"

Angry Motorist—"Some of you pedestrians walk along just as if you owned the streets."

Irate Pedestrian—"And some of you motorists drive just as though you owned the car."

"Dad, guess what? I've got my first part in a play," enthused the budding young actor. "I play the part of a man who's been married for 25 years."

"That's a good start, son," replied his dad. "Just keep at it and one of these days you'll get a speaking part."

Sailor — "Drinking makes you look beautiful."

She — "But I haven't been drinking."

Sailor — "I have."



"Don't worry about a thing, boss. Everyone at the office is taking care of things as though the business were his own."